# JAYRIDE GROUP LIMITED
# ANNUAL REPORT - 30 JUNE 2021

ABN 49 155 285 528

Dear Shareholder

Today I am pleased to present the Annual Report for Jayride Group Limited ('Jayride' or the 'Company') for the financial year ended 30 June 2021 ('FY21').

While the pandemic and associated travel restrictions across our markets created significant challenges, particularly in the first half of FY21, I am delighted to report that the strategies we put in place to enhance our leverage to recovery are working. Jayride has delivered its highest contribution margin, and following the July completion of the Company's successful placement and share purchase plan, is well positioned to become a larger and more profitable company post-pandemic.

The results show growth that accelerated throughout the year as the global travel recovery in the Northern Hemisphere gathered pace. Over 85% of our revenues are coming from North America and Europe. We are in a strong position as these markets continue to reopen and recovery builds.

Q4 FY21 highlights our momentum. Passenger trips grew 83% in Q4 vs prior quarter; 208% higher than in Q2. June was the strongest month of the year with trips up 30% on May. Net revenue grew 79% in Q4 vs prior quarter. The ongoing global travel recovery is supporting this robust revenue growth and provides momentum as we enter FY22.

Our focus on unrivalled service delivery, with technology enhancements to improve traveller experience and operating excellence are driving market share gains. With lower cost customer acquisition, higher conversion and improved traveller retention we are well placed to drive scale and operating leverage.

In June we conducted an $11m equity capital raise consisting of an oversubscribed $10m placement and an additional $1m share purchase plan which gave all shareholders the ability to purchase shares at the placement terms. The first $2.75m of gross proceeds completed during FY21 in June 2021, and the remaining $8.25m completed during FY22 in July and August 2021.

Our June capital raise provides Jayride with sufficient funds for growth through key valuation inflection points: COVID recovery, Market Leadership and Cash Flow Positive. We have a once in a lifetime opportunity to win global market leadership within 12 months.

FY22 has started well. Since July Jayride trips booked in Europe have surpassed our pre-pandemic all-time-high – Jayride is now larger in Europe than ever before.

Our company is early in this long-term growth trajectory and will continue to invest in this growth. Jayride has invested over $25m in technology and systems, in our team and talent, and in our relationships with our travellers and ride service companies. This solid foundation and our ongoing commitment to growth puts us in an ideal position to benefit from tailwinds as the global travel recovery and shift to online bookings continue.

Our product vision is to become the traveller's trusted transport brand, offering door-to-door rides to suit every traveller's needs, in every country from anywhere to anywhere. To achieve that product vision over the coming years we will launch new product offers for an expanded market opportunity. In 1H FY22 we will launch new vehicle types and service classes. Then onwards from there, we will continue to execute our long-term roadmap of new traveller offers, including extras and inclusions, non-airport destinations, last-minute and in-destination bookings.

With our strengthened balance sheet, increased online penetration and a market expanding to record size, we are positioned to be a significantly larger and more profitable company compared to pre-pandemic.

On behalf of the Company, I would like to thank our shareholders for their continued support throughout FY21. I would also like to thank our team for their incredible effort throughout this year and commitment to the success of our Company.

With best regards and looking forward to FY22.

Rod Bishop

Managing Director and Co-founder

Jayride Group Limited

| | |
|---|---|
| Directors | Rod Cuthbert - Chairman<br>Rodney Bishop - Managing Director<br>Samuel Saxton<br>Yifat Shirben<br>Tzipi Avioz |
| Company Secretary | Henry Kinstlinger |
| Registered office and principal place of business | Suite 1101<br>55 Clarence Street<br>Sydney NSW 2000<br>Email: corporate@jayride.com |
| Share register | Computershare Investor Services Pty Limited<br>Yarra Falls<br>452 Johnston Street<br>Abbotsford VIC 3067<br>Tel: 1300 787 272 |
| Auditor | RSM Australia Partners<br>Level 21<br>55 Collins Street<br>Melbourne VIC 3000 |
| Solicitors | Piper Alderman<br>Level 23<br>Governor Macquarie Tower<br>1 Farrer Place<br>Sydney NSW 2000 |
| Bankers | National Australia Bank<br>Northpoint Building<br>Level 36<br>100 Miller Street<br>North Sydney NSW 2060 |
| Stock exchange listing | The Fully Paid Ordinary Shares of Jayride Group Limited are listed on the Australian Securities Exchange (ASX: JAY) |
| Website | www.jayride.com |
| Business objectives | To become the world's first trusted global ride services brand for travellers; a brand that travellers can trust and take with them as they travel around the world. |
| Corporate Governance Statement | The Directors and management are committed to conducting the business of Jayride Group Limited in an ethical manner and in accordance with the highest standards of corporate governance. Jayride Group Limited has adopted and has substantially complied with the ASX Corporate Governance Council's Governance Principles and Recommendations (3rd edition) ('Recommendations') to the extent appropriate to the size and nature of its operations.<br>The Corporate Governance Statement, which sets out the corporate governance practices that were in operation during the financial year and identifies and explains any Recommendations that have not been followed, has been approved at the same time as the Annual Report can be found at:<br>https://www.jayride.com/hubfs/resources/corporate-governance/corporategovernance-statement-jayride.pdf |

The directors present their report, together with the financial statements, of the Company for the year ended 30 June 2021.

## Directors

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

Rod Cuthbert - Chairman
Rodney Bishop - Managing Director
Samuel Saxton
Yifat Shirben
Tzipi Avioz (appointed on 30 March 2021)
Andrew Coppin (resigned on 3 August 2020)
Andrey Shirben (resigned on 30 March 2021)

## Principal activities

Jayride.com is the world's leading publicly listed airport transfers marketplace, where travellers compare and book rides around the world. With Jayride.com, travellers can compare and book with 3,700+ ride service companies, servicing 1,600+ airports in 110+ countries around the world, including the Americas, Europe, Middle East, Africa, Asia and the Pacific.

The Jayride.com platform aggregates ride service companies and distributes them to travellers at Jayride.com; and via travel brand partners including other technology platforms, travel agencies and wholesalers. These travel brands implement Jayride APIs to sell door–to–door ride services that build traveller confidence and defend their core travel business.

Jayride's opportunity is to create the world's first trusted global ride services brand for travellers; a brand that travellers can trust and take with them as they travel around the world.

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

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

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

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

## Dividends

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

## Review of operations

Jayride is pleased to report the Company's largest contribution margin, above pre-pandemic levels, and a strong balance sheet, as the global travel recovery in the northern hemisphere continues. Jayride finds itself in position to be a much larger and more profitable business post-pandemic.

Throughout the year the Company continued to serve travellers and travel brands with ride bookings globally, and improved operations leading to lower cost to serve, and improved traveller satisfaction scores.

The Company continued to invest in long-term growth initiatives and delivered many product milestones including the launch of the Company's new traveller membership system, new traveller self-service tools, and new travel brand partnerships.

Jayride's expansion in the northern hemisphere markets has been successful. Q4 FY21 momentum carries forward to create a strong start to Q1 FY22.

The Company is well placed to continue to benefit from successful vaccine roll-outs and border reopening leading to an accelerating global travel recovery. In addition, the Company has an enhanced competitive position, and will benefit from an accelerating trend to book rides online.

## Significant changes in the state of affairs

In June Jayride conducted an $11 million equity capital raise comprised of an oversubscribed $10 million placement and an additional $1 million share purchase plan which gave all shareholders the ability to purchase shares at the placement terms.

The first tranche of the placement totalling $2.75 million of gross proceeds completed during FY21 in June 2021, and the remaining second tranche of the placement and proceeds of the share purchase plan, totalling $8.25 million completed during FY22 in July and August 2021.

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

## Matters subsequent to the end of the financial year

On 27 July 2021, at an Extraordinary General Meeting shareholders approved the issuance of 34,520,000 shares for the second tranche of the placement, and an additional 5,000,000 shares for the share purchase plan, and subsequently the proceeds of these, totalling $8.25 million, was received by the Company.

On 12 August 2021, Jayride eliminated all outstanding debt facilities with its lenders by making early repayment of principal totalling $2 million plus interest accrued. The early repayment achieved an interest saving of approximately $102,000.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

## Likely developments and expected results of operations

Jayride is impacted by COVID-19 and its revenues are highly sensitive to restrictions on the global travel industry. The Company considers it likely that the global travel recovery will continue in the northern hemisphere in line with the forecasts of leading industry bodies including International Air Transport Association (IATA) and OAG Aviation (OAG).

Jayride is currently generating 85%+ of its business from northern hemisphere markets and expects to continue to do so as travel in these markets continues to recover at faster rates than other markets.

## Environmental regulation

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

## Information on directors

| | |
|---|---|
| Name: | **Rod Cuthbert** (appointed on 15 April 2020) |
| Title: | Chairman and Non-Executive Independent Director |
| Experience and expertise: | Rod is a successful leader in the global online travel industry. He is the founder, former CEO and Chairman of Viator, the leading global marketplace for tours and activities. Viator was acquired by TripAdvisor in 2014. He is the former CEO and Chairman of Rome2rio, the door-to-door travel search engine which was acquired by Omio in December 2019, and a non-executive director of Tokyo Stock Exchange listed Veltra Corporation, Japan’s leading online seller of tours and activities. |
| Other current directorships: | Veltra Corporation (TYO) |
| Former directorships (last 3 years): | None |
| Special responsibilities: | Chair of the Remuneration and Nomination Committee |
| Interests in shares: | 624,871 ordinary shares directly held |
| Interests in options: | None |

| | |
|---|---|
| Name: | **Rodney Bishop** (appointed on 23 January 2012) |
| Title: | Managing Director |
| Experience and expertise: | Rodney co-founded Jayride in 2012 and has built the Company from concept through to what it is today. Rodney has 15 years' of experience in founding companies and leading teams. In addition to team leadership, Rodney has deep subject matter expertise in passenger transport with a focus on open data ecosystems and standards for global transport distribution. His prior roles have included being the Founder of Hitch (marketplace for hitchhikers), a founding member of The Ridesharing Institute NZ (an alternative transport NGO) and Marketing Director at Navigo (enterprise software sales). |
| Other current directorships: | None |
| Former directorships (last 3 years): | None |
| Special responsibilities: | Member of the Audit and Risk Committee and Member of the Remuneration and Nomination Committee. |
| Interests in shares: | 11,000,000 ordinary shares held directly. |
| Interests in options: | 1,800,000 performance options over ordinary shares. |

| | |
|---|---|
| Name: | **Samuel Saxton (MAICD)** |
| Title: | Non-Executive Independent Director (appointed on 11 July 2012) |
| Experience and expertise: | Sam has delivered business transformation programmes across the telecommunications, energy, retail, construction and media sectors. Sam is active across the Australian and New Zealand start up ecosystems by supporting the scale up of early-stage companies by right sizing both the business and governance models to support that stage of growth. Sam led the Sydney Angel's syndicate that invested into Jayride in 2012. Since this time Sam has been a non-executive director and Chair of the Audit and Risk Committee. |
| Other current directorships: | None |
| Former directorships (last 3 years): | None |
| Special responsibilities: | Chair of the Audit and Risk Committee. |
| Interests in shares: | 1,132,645 ordinary shares held directly. |
| Interests in options: | 300,000 performance options over ordinary shares. |

| | |
|---|---|
| Name: | **Yifat Shirben (GAICD)** (appointed on 15 September 2017) |
| Title: | Non-Executive Independent Director |
| Experience and expertise: | Yifat is a graduate member of the Australian Institute of Company Directors (GAICD) and has over 10 years' of international experience in entrepreneurship and marketing. She is the co-founder of 'Flint & Spark - Entrepreneurial Marketing'. She has a track record of leading cross-functional expert teams and career training and has extensive knowledge in strategical messaging, go to market planning, PR and digital marketing. Yifat is an international speaker and mentor in the local innovation ecosystem. |
| Other current directorships: | None |
| Former directorships (last 3 years): | None |
| Special responsibilities: | Member of the Audit and Risk Committee |
| Interests in shares: | 173,404 ordinary shares held directly and 3,868,049 ordinary shares held indirectly. |
| Interests in options: | 300,000 performance options over ordinary shares. |

| | |
|---|---|
| Name: | **Tzipi Avioz** (appointed on 30 March 2021) |
| Title: | Non-Executive Independent Director |
| Experience and expertise: | Tzipi has over 25 years' global experience in technology and business sectors, with a focus on strategy consulting, digital data analytics and delivering large transformation programs. Tzipi brings current and deep ecommerce and marketplace experience through her role as Executive vice president in Mirakl Inc and her previous roles as Technology & Operation Director for AMP Australia, Global Head - Digital commerce and contact centre with Woolworths Limited and Chief Information Officer with Tiv Taam Group. |
| Other current directorships: | External Director at Shekel Brainweigh Limited. |
| Former directorships (last 3 years): | None |
| Special responsibilities: | Member of the Remuneration and Nomination Committee. |
| Interests in shares: | 20,667 ordinary shares held directly. |
| Interests in options: | None |

| | |
|---|---|
| Name: | **Andrew Coppin (GAICD)** (resigned on 3 August 2020) |
| Title: | Former Non-Executive Independent Director |
| Experience and expertise: | Andrew is a highly driven, experienced executive and company director. He is an active early stage investor and venture fund manager who has considerable experience with technology start-ups, turnarounds and high growth companies. He has been a founder, mentor, executive and non-executive director and investor in a significant number of companies over the past decade and has a deep understanding of Logistics and FinTech businesses with global applications. His professional experience spans all areas of financial markets, capital raising, wealth management, business operations, compliance and leading edge disruptive and information technology. He is a Graduate of the Australian Institute of Company Directors (GAICD), a Master Stockbroker (MSAFAA) and the holder of an Australian Financial Services License (AFSL). |
| Other current directorships: | None |
| Former directorships (last 3 years): | None |
| Special responsibilities: | Former Member of the Remuneration and Nomination Committee |
| Interests in shares: | Not applicable as no longer a director |
| Interests in options: | Not applicable as no longer a director |

| | |
|---|---|
| Name: | **Andrey Shirben** (resigned on 30 March 2021) |
| Title: | Former Chairman and Non-Executive Independent Director |
| Experience and expertise: | Andrey is a serial entrepreneur and investor. He is the founder of SYD Ventures (a venture company that invests in early-stage start-ups) and co-founder of Follow The Seed (a data-driven global VC fund for companies seeking post-seed investment). Andrey has established numerous companies and invested in over 100 start-ups. Andrey was Jayride's first investor in 2012 and since then, a non-executive director. In 2018 he was appointed as Jayride's Chairman. Equipped with technical background, Andrey has strong business acumen skills with extensive experience in setting up global markets, online marketing, business development and commercialisation. |
| Other current directorships: | None |
| Former directorships (last 3 years): | None |
| Special responsibilities: | Former Member of the Remuneration and Nomination Committee. |
| Interests in shares: | Not applicable as no longer a director |
| Interests in options: | Not applicable as no longer a director |

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

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

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

## Meetings of directors
The number of meetings of the Company's Board of Directors ('the Board'), Audit and Risk Committee and Remuneration and Nomination Committee held during the year ended 30 June 2021, and the number of meetings attended by each director were:

| | Full Board | | Audit and Risk Committee | | Remuneration and Nomination Committee | |
|---|---|---|---|---|---|---|
| | Attended | Held | Attended | Held | Attended | Held |
| Rod Cuthbert | 12 | 12 | - | - | 1 | 1 |
| Rodney Bishop | 12 | 12 | 1 | 3 | 1 | 1 |
| Samuel Saxton | 12 | 12 | 3 | 3 | - | - |
| Yifat Shirben | 12 | 12 | 3 | 3 | - | - |
| Tzipi Avioz | 3 | 3 | - | - | - | - |
| Andrew Coppin | 1 | 1 | - | - | - | - |
| Andrey Shirben | 9 | 9 | - | - | 1 | 1 |

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

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

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

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

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

### *Principles used to determine the nature and amount of remuneration*
The objective of the Company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice in the start-up technology space for the delivery of reward. The Board ensures that executive reward satisfies the following key criteria for good reward governance practices:
- competitiveness and reasonableness;
- acceptability to shareholders;
- performance linkage / alignment of executive compensation; and
- transparency.

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

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

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

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

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

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

ASX listing rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. The most recent determination was at the Annual General Meeting held on 20 October 2020, where the shareholders approved a maximum annual aggregate remuneration of $500,000.

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

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

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

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

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

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

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

### *Company performance and link to remuneration*
Incentive based remuneration for certain team members is linked to internal metrics that are expected to contribute to improvements in earnings per share.

### *Use of remuneration consultants*
During the financial year ended 30 June 2021, the Company did not engage remuneration consultants to review its existing remuneration policies and provide recommendations on how to improve the STI and LTI programs.

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

### *Voting and comments made at the Company's 2020 Annual General Meeting ('AGM')*
At the 2020 AGM, 99.86% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2020. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

## *Details of remuneration*
The KMP of the Company consisted of the following directors of the Company:
- Rod Cuthbert - Chairman
- Rodney Bishop - Managing Director
- Samuel Saxton
- Yifat Shirben
- Tzipi Avioz (appointed on 1 April 2021)
- Andrew Coppin (resigned on 3 August 2020)
- Andrey Shirben (resigned on 31 March 2021)

And the following persons:
- Peter McWilliam - Chief Financial Officer
- Simon Carson - Chief Commercial Officer
- Elizabeth Lovell - Chief Product Officer

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

| | Short-term benefits | | | Post-employment benefits | Long-term benefits | Share-based payments | |
|---|---|---|---|---|---|---|---|
| **2021** | Cash salary and fees $ | Cash bonus $ | Non-monetary $ | Super-annuation $ | Long service leave $ | Equity-settled $ | Total $ |
| *Non-Executive Directors:* | | | | | | | |
| Rod Cuthbert | 61,627 | - | - | - | - | 11,534 | 73,161 |
| Samuel Saxton | 50,000 | - | - | - | - | 18,989 | 68,989 |
| Yifat Shirben | 56,500 | - | - | - | - | 11,721 | 68,221 |
| Tzipi Avioz* | 15,000 | - | - | - | - | - | 15,000 |
| Andrew Coppin** | - | - | - | - | - | 16,688 | 16,688 |
| Andrey Shirben** | 25,350 | - | - | - | - | 37,509 | 62,859 |
| *Executive Directors:* | | | | | | | |
| Rodney Bishop | 161,795 | 205,643 | - | 16,995 | 8,161 | 37,100 | 429,694 |
| *Other KMP:* | | | | | | | |
| Peter McWilliam | 149,391 | 56,365 | - | 14,591 | 6,907 | 124,695 | 351,949 |
| Simon Carson** | 109,801 | - | - | 9,861 | (717) | 30,405 | 149,350 |
| Elizabeth Lovell | 138,824 | - | - | 13,188 | 2,136 | 55,099 | 209,247 |
| | 768,288 | 262,008 | - | 54,635 | 16,487 | 343,740 | 1,445,158 |

* Remuneration is from the date of appointment to 30 June 2021
** Remuneration is up to the date of resignation

| 2020 | Short-term benefits<br>Cash salary and fees<br>$ | <br>Cash bonus<br>$ | <br>Non-monetary<br>$ | Post-employment benefits<br>Super-annuation<br>$ | Long-term benefits<br>Long service leave***<br>$ | Share-based payments<br>Equity-settled<br>$ | <br>Total<br>$ |
|---|---|---|---|---|---|---|---|
| *Non-Executive Directors:* | | | | | | | |
| Andrey Shirben | 94,986 | - | - | 8,185 | - | 40,918 | 144,089 |
| Samuel Saxton | 24,353 | - | - | 2,338 | - | 41,391 | 68,082 |
| Yifat Shirben | 34,103 | - | - | 2,338 | - | 28,729 | 65,170 |
| Andrew Coppin | 30,000 | - | - | - | - | 55,895 | 85,895 |
| Rod Cuthbert* | - | - | - | - | - | 16,495 | 16,495 |
| Zhongyuan (Ross) Lin** | 9,694 | - | - | 946 | - | 9,093 | 19,733 |
| *Executive Directors:* | | | | | | | |
| Rodney Bishop | 187,292 | 65,250 | - | 23,991 | (6,413) | 147,330 | 417,450 |
| *Other KMP:* | | | | | | | |
| Peter McWilliam | 141,552 | - | - | 13,541 | (116) | 164,375 | 319,352 |
| Simon Carson | 180,822 | - | - | 17,315 | 485 | 37,808 | 236,430 |
| Elizabeth Lovell | 159,600 | - | - | 14,651 | 190 | 55,393 | 229,834 |
| | 862,402 | 65,250 | - | 83,305 | (5,854) | 597,427 | 1,602,530 |

* Remuneration is from the date of appointment to 30 June 2020
** Remuneration is up to the date of resignation
*** Long service leave in 2020 is negative due to revised COVID-19 packages

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

| Name | Fixed remuneration 2021 | Fixed remuneration 2020 | At risk - STI 2021 | At risk - STI 2020 | At risk - LTI 2021 | At risk - LTI 2020 |
|---|---|---|---|---|---|---|
| *Non-Executive Directors:* | | | | | | |
| Rod Cuthbert | 84% | - | - | - | 16% | 100% |
| Samuel Saxton | 72% | 39% | - | - | 28% | 61% |
| Yifat Shirben | 83% | 56% | - | - | 17% | 44% |
| Tzipi Avioz | 100% | - | - | - | - | - |
| Andrew Coppin | - | 35% | - | - | 100% | 65% |
| Andrey Shirben | 40% | 72% | - | - | 60% | 28% |
| Zhongyuan (Ross) Lin | - | 54% | - | - | - | 46% |
| *Executive Directors:* | | | | | | |
| Rodney Bishop | 43% | 48% | 48% | 17% | 9% | 35% |
| *Other KMP:* | | | | | | |
| Peter McWilliam | 49% | 49% | 16% | - | 35% | 51% |
| Simon Carson | 80% | 84% | - | - | 20% | 16% |
| Elizabeth Lovell | 74% | 74% | - | - | 26% | 26% |

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

| Name | Cash bonus paid/payable 2021 | Cash bonus paid/payable 2020 | Cash bonus forfeited 2021 | Cash bonus forfeited 2020 |
|---|---|---|---|---|
| *Executive Directors:* | | | | |
| Rodney Bishop | 90% | 45% | 10% | 55% |
| *Other KMP* | | | | |
| Peter McWilliam | 100% | - | - | - |

## *Service agreements*

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

*Executive director*

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

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

*Non-executive directors*

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

All non-executive directors receive a base annual remuneration as follows:

| | $ |
|---|---|
| Rod Cuthbert* | 80,000 |
| Samuel Saxton | 60,000 |
| Yifat Shirben | 60,000 |
| Tzipi Avioz | 60,000 |
| Andrew Coppin | 60,000 |
| Andrey Shirben | 140,000 |

* Rod Cuthbert receives an additional $20,000 in annual compensation as Chairman (appointed on 1 April 2021).

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

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

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

On 1 April 2020 the directors agreed to receive 100% of remuneration not covered by JobKeeper as share-based compensation until the Company's financial position improved. Remuneration earned upto 31 August 2020 was approved by the shareholders at the Annual General Meeting. Remuneration accrued after 31 August 2020 and prior to 30 June 2021 was paid in cash in July 2021 following the placement and ahead of the close of the share purchase plan.

## *Share-based compensation*

### *Issue of shares*

Details of shares accrued to directors and other KMP as part of compensation which was deemed to be share price at grant date, during the year ended 30 June 2021 are set out below:

| Name | Number of shares | Average issue price at grant date | $ |
|---|---|---|---|
| Rod Cuthbert | 23,295 | $0.1600 | 3,727 |
| Samuel Saxton | 69,884 | $0.1600 | 11,181 |
| Yifat Shirben | 24,459 | $0.1600 | 3,913 |
| Andrew Coppin | 38,222 | $0.1600 | 6,115 |
| Andrey Shirben | 148,665 | $0.2260 | 33,605 |
| Peter McWilliam | 479,937 | $0.1660 | 79,553 |
| Simon Carson | 49,712 | $0.1400 | 6,971 |
| Elizabeth Lovell | 122,649 | $0.1570 | 19,243 |

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

*Options*

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

| Grant date | Vesting | Expiry date | Exercise price | Fair value per option at grant date |
|---|---|---|---|---|
| 01/09/2018 | 2/48 of total Class A Options will vest immediately on 01/09/2018 and 46/48 of the total Class A Options will vest at rate of 1/48 every month until 30/06/2022. | 30/06/2023 | $0.5330 | $0.2220 |
| 11/02/2020 | 19/48 of total Class A Options will vest immediately on 11/02/2020 and 29/48 of the total Class A Options will vest at rate of 1/48 every month until 30/06/2022. | 30/06/2023 | $0.5330 | $0.1069 |
| 11/02/2020 | 7/48 of total Class B Options will vest immediately on 11/02/2020 and 41/48 of the total Class B Options will vest at rate of 1/48 every month until 30/06/2023. | 30/06/2024 | $0.5530 | $0.1259 |
| 21/10/2020 | 3/48 of total Class C Options will vest immediately on 21/10/2020 and 45/48 of the total Class C options will vest at rate of 1/48 every month until 30/6/2024. | 30/06/2025 | $0.3000 | $0.0745 |
| 21/10/2020 | 3/48 of total Class D Options will vest immediately on 21/10/2020 and 45/48 of the total Class D options will vest at rate of 1/48 every month until 30/6/2024. | 30/06/2025 | $0.3000 | $0.0745 |

Options granted carried no dividend or voting rights.

Details of options over ordinary shares granted, vested and lapsed for directors and other KMP as part of compensation during the year ended 30 June 2021 are set out below:

| Name | Options | Number of options granted | Value of options granted $ | Value of options vested $ | Number of options lapsed | Value of options lapsed $ |
|---|---|---|---|---|---|---|
| Elizabeth Lovell | Class A Employee Options | - | - | 10,383 | - | - |
| Peter McWilliam | Class A Employee Options | - | - | 12,007 | - | - |
| Elizabeth Lovell | Class B Employee Options | - | - | 3,872 | - | - |
| Peter McWilliam | Class B Employee Options | - | - | 7,153 | - | - |
| Simon Carson | Class B Employee Options | - | - | 5,055 | 143,780 | 9,697 |
| Elizabeth Lovell | Class C Employee Options | 479,980 | 35,758 | 15,975 | - | - |
| Peter McWilliam | Class C Employee Options | 577,353 | 43,013 | 19,216 | - | - |
| Simon Carson | Class C Employee Options | 544,044 | 40,531 | 13,580 | 442,036 | 26,951 |
| Elizabeth Lovell | Class D Employee Options | 159,993 | 10,807 | 5,626 | - | - |
| Peter McWilliam | Class D Employee Options | 192,451 | 13,000 | 6,767 | - | - |
| Simon Carson | Class D Employee Options | 181,348 | 12,250 | 4,782 | 147,345 | 7,468 |

### *Performance options*

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

| Performance option class | Vesting condition | Number |
|---|---|---|
| Class B* | The share price being at or above $0.55 per share at any time on or before the expiry date, 31/12/2021 | 300,000 |
| Class C* | The share price being at or above $0.60 per share at any time on or before the expiry date, 31/12/2021 | 300,000 |
| Class D* | The share price being at or above $0.65 per share at any time on or before the expiry date, 31/12/2021 | 300,000 |
| Class E* | The share price being at or above $0.80 per share at any time on or before the expiry date, 31/12/2021 | 300,000 |
| Class F* | The share price being at or above $0.95 per share at any time on or before the expiry date, 31/12/2021 | 300,000 |
| Class G* | The share price being at or above $1.10 per share at any time on or before the expiry date, 31/12/2021 | 300,000 |
| Class H | The share price being at or above $0.50 per share at any time on or before the expiry date, 31/12/2022 | 300,000 |
| Class I | The share price being at or above $0.30 per share at any time on or before the expiry date 20/10/2023 | 925,000 |

* Granted to Rodney Bishop.

Performance options granted carry no dividend or voting rights.

Details of performance options over ordinary shares granted, vested and lapsed for directors and other KMP as part of compensation during the year ended 30 June 2021 are set out below:

| Name | Performance option class | Number of performance options granted | Value of performance options granted ($) | Number of performance options vested | Value of performance options vested ($) | Number of performance options lapsed | Value of performance options lapsed ($) |
|---|---|---|---|---|---|---|---|
| Andrew Coppin | Class H | - | - | - | - | - | - |
| Andrey Shirben | Class A | - | - | 50,000 | 5,084 | - | - |
| Rodney Bishop | Class A | - | - | 50,000 | 5,084 | - | - |
| Samuel Saxton | Class A | - | - | 50,000 | 5,084 | - | - |
| Yifat Shirben | Class A | - | - | 50,000 | 5,084 | - | - |
| Andrey Shirben | Class I | 300,000 | 23,954 | 25,000 | 3,904 | 275,000 | 20,050 |
| Rod Cuthbert | Class I | 300,000 | 23,954 | 50,000 | 7,807 | - | - |
| Samuel Saxton | Class I | 300,000 | 23,954 | 50,000 | 7,807 | - | - |
| Yifat Shirben | Class I | 300,000 | 23,954 | 50,000 | 7,807 | - | - |
| | | 1,200,000 | 95,816 | 375,000 | 47,661 | 275,000 | 20,050 |

## *Additional information*

The earnings of the Company for the four years to 30 June 2021 are summarised below:

| | 2021 $ | 2020 $ | 2019 $ | 2018 $ |
|---|---|---|---|---|
| Revenue (inclusive of other income) | 1,616,085 | 3,795,259 | 3,822,364 | 2,451,060 |
| Loss after income tax | (4,488,836) | (7,088,795) | (8,201,109) | (5,762,692) |

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

| | 2021 | 2020 | 2019 | 2018 |
|---|---|---|---|---|
| Share price at financial year end ($) | 0.27 | 0.14 | 0.29 | 0.45 |
| Basic loss per share (cents per share) | (3.87) | (7.59) | (10.48) | (8.41) |
| Diluted loss per share (cents per share) | (3.87) | (7.59) | (10.48) | (8.41) |

## *Additional disclosures relating to KMP*

### *Shareholding*

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

| | Balance at the start of the year | Received as part of remuneration | Additions other | Disposals/ other (c) | Balance at the end of the year |
|---|---|---|---|---|---|
| *Ordinary shares* | | | | | |
| Rod Cuthbert | 500,000 | 124,871 | - | - | 624,871 |
| Rodney Bishop | 11,000,000 | - | - | - | 11,000,000 |
| Samuel Saxton | 874,180 | 258,465 | - | - | 1,132,645 |
| Yifat Shirben (a) | 44,952 | 128,452 | - | - | 173,404 |
| Tzipi Avioz | 20,667 | - | - | - | 20,667 |
| Andrew Coppin (b),(c) | 414,536 | - | - | - | 414,536 |
| Andrey Shirben (a),(b),(c) | 11,825,731 | 244,792 | 669,129 | - | 12,739,652 |
| Peter McWilliam | 1,225,545 | 445,705 | - | (289,347) | 1,381,903 |
| Simon Carson | 159,499 | 119,130 | - | - | 278,629 |
| Elizabeth Lovell | 187,912 | 143,373 | - | - | 331,285 |
| | 26,253,022 | 1,464,788 | 669,129 | (289,347) | 28,097,592 |

(a) Amounts disclosed are for personal holding only and exclude those held by their spouse, which are disclosed in the table separately under the spouse name.
(b) Amounts disclosed include shares held directly and indirectly.
(c) Other represents the total number of shares held at the date of resignation of the director after which he ceased to be a KMP.

### *Option holding*

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

| | Balance at the start of the year | Granted | Exercised | Expired/ forfeited/ other | Balance at the end of the year |
|---|---|---|---|---|---|
| *Options over ordinary shares* | | | | | |
| Peter McWilliam | 764,466 | 769,804 | - | - | 1,534,270 |
| Simon Carson | 255,609 | 725,392 | - | (733,161) | 247,840 |
| Elizabeth Lovell | 528,448 | 639,973 | - | - | 1,168,421 |
| | 1,548,523 | 2,135,169 | - | (733,161) | 2,950,531 |

The above table contain options issued under different terms to directors and other members of KMP as share-based remuneration.

### *Performance options holding*

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

| | Balance at the start of the year | Granted | Expired/ forfeited/ other (b) | Balance at the end of the year |
|---|---|---|---|---|
| *Performance options over ordinary shares* | | | | |
| Rod Cuthbert | - | 300,000 | - | 300,000 |
| Rodney Bishop | 2,100,000 | - | (300,000) | 1,800,000 |
| Samuel Saxton | 300,000 | 300,000 | (300,000) | 300,000 |
| Yifat Shirben (a) | 300,000 | 300,000 | (300,000) | 300,000 |
| Tzipi Avioz | - | - | - | - |
| Andrew Coppin | 300,000 | - | - | 300,000 |
| Andrey Shirben (a) | 300,000 | 300,000 | (575,000) | 25,000 |
| Zhongyuan (Ross) Lin (b) & (c) | 200,000 | - | (200,000) | - |
| | 3,500,000 | 1,200,000 | (1,675,000) | 3,025,000 |

(a) Amounts disclosed are for personal holding only and exclude those held by their spouse, which are disclosed in the table separately under the spouse name.
(b) Amounts disclosed include amount lapsed during the year.
(c) Balance at the beginning of the year includes 200,000, held by former Director who ceased to be a KMP at the date of resignation.

| | Vested | Unvested | Balance at the end of the year |
|---|---|---|---|
| *Performance options over ordinary shares* | | | |
| Rod Cuthbert | 50,000 | 250,000 | 300,000 |
| Rodney Bishop | 1,800,000 | - | 1,800,000 |
| Samuel Saxton | 50,000 | 250,000 | 300,000 |
| Yifat Shirben | 50,000 | 250,000 | 300,000 |
| Andrey Shirben | - | 25,000 | 25,000 |
| Andrew Coppin | 300,000 | - | 300,000 |
| | 2,250,000 | 775,000 | 3,025,000 |

### *Loans to KMP and their related parties*

The limited recourse loans were established on 21 December 2017 to fund the exercise of options not meeting ASX listing requirements. The limited recourse loans were due to be repaid on the earlier of the 3rd anniversary of the loan or the date that any of the connected shares are sold.

Prior to the maturity of the limited recourse loans the directors agreed to extend the maturity date until 21 December 2021 to preserve the goodwill and shareholding of key team members who had agreed to reduce or defer compensation during the pandemic.

| Name | 2021<br>$ | 2020<br>$ |
|---|---|---|
| Rodney Bishop | 61,679 | - |
| Samuel Saxton | 37,775 | - |
| Yifat Shirben | 3,022 | - |
| Andrey Shirben | 37,775 | - |
| Peter McWilliam | 42,824 | - |

***This concludes the remuneration report, which has been audited.***

## Shares under option

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

| Grant date | Expiry date | Exercise price | Number under option |
|---|---|---|---|
| 1 September 2018 | 30 June 2023 | $0.5330 | 1,823,118 |
| 11 February 2020 | 30 June 2023 | $0.5330 | 254,365 |
| 11 February 2020 | 30 June 2024 | $0.5530 | 1,040,668 |
| 2 November 2020 | 30 June 2025 | $0.3000 | 3,798,325 |
| | | | 6,916,476 |

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

## Shares under performance options

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

| Grant date | Expiry date | Exercise price | Number under options |
|---|---|---|---|
| 28 November 2018 | 31 December 2021 | $0.5500 | 300,000 |
| 28 November 2018 | 31 December 2021 | $0.6000 | 300,000 |
| 28 November 2018 | 31 December 2021 | $0.6500 | 300,000 |
| 28 November 2018 | 31 December 2021 | $0.8000 | 300,000 |
| 28 November 2018 | 31 December 2021 | $0.9500 | 300,000 |
| 28 November 2018 | 31 December 2021 | $1.1000 | 300,000 |
| 18 December 2019 | 31 December 2022 | $0.5000 | 300,000 |
| 21 October 2020 | 20 October 2023 | $0.3000 | 925,000 |
| | | | 3,025,000 |

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

## Shares issued on the exercise of options
There were no ordinary shares of the Company issued on the exercise of options during the year ended 30 June 2021 and up to the date of this report.

## Shares issued on the exercise of performance options
There were no ordinary shares of the Company issued on the exercise of performance options during the year ended 30 June 2021 and up to the date of this report.

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

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

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

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

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

## Non-audit services
There were no non-audit services provided during the financial year by the auditor.

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

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

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

On behalf of the directors

| | |
|---|---|
| Rodney Bishop | Rod Cuthbert |
| Managing Director | Chairman |

29 September 2021
Sydney

**RSM Australia Partners**

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

T +61 (0) 3 9286 8000
F +61 (0) 3 9286 8199

www.rsm.com.au

## AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Jayride Group Limited for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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

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

**RSM AUSTRALIA PARTNERS**

**R J MORILLO MALDONADO**
Partner

Dated: 29 September 2021
Melbourne, Victoria

## Jayride Group Limited
## Statement of profit or loss and other comprehensive income
## For the year ended 30 June 2021

| | Note | 2021<br>$ | 2020<br>$ |
|---|---|---|---|
| **Revenue** | | | |
| Net commission and fees booked from continuing operations | 5 | 759,410 | 3,236,264 |
| Interest revenue | | 340 | 15,554 |
| Other income | 6 | 856,335 | 543,441 |
| Total revenue and income | | 1,616,085 | 3,795,259 |
| **Operating costs** | | | |
| Advertising and marketing costs | | (155,810) | (1,621,701) |
| Variable operating costs | | (333,332) | (1,580,789) |
| Non-variable costs | | (1,090,101) | (1,915,335) |
| Corporate costs | | (782,166) | (652,767) |
| Growth costs | 7 | (1,217,355) | (1,617,012) |
| Share-based payments expense | 33 | (723,288) | (1,456,357) |
| Loss on disposal of plant and equipment | | (118,933) | - |
| Expected credit losses provision | | (336,293) | (49,484) |
| Depreciation and amortisation | 8 | (995,028) | (1,411,481) |
| Total operating costs | | (5,752,306) | (10,304,926) |
| **Non-operating costs** | | | |
| Currency movements | | 10,931 | (80,611) |
| Finance costs | 8 | (363,546) | (498,517) |
| Total non-operating costs | | (352,615) | (579,128) |
| **Loss before income tax expense** | | (4,488,836) | (7,088,795) |
| Income tax expense | 9 | - | - |
| **Loss after income tax expense for the year attributable to the owners of Jayride Group Limited** | | (4,488,836) | (7,088,795) |
| Other comprehensive income for the year, net of tax | | - | - |
| **Total comprehensive loss for the year attributable to the owners of Jayride Group Limited** | | (4,488,836) | (7,088,795) |
| | | **Cents** | **Cents** |
| Basic loss per share | 10 | (3.87) | (7.59) |
| Diluted loss per share | 10 | (3.87) | (7.59) |

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

# Jayride Group Limited
## Statement of financial position
## As at 30 June 2021

| | Note | 2021 $ | 2020 $ |
|---|---|---|---|
| **Assets** | | | |
| **Current assets** | | | |
| Cash and cash equivalents | 11 | 3,041,659 | 963,459 |
| Trade and other receivables | 12 | 636,977 | 1,185,173 |
| Contract assets | | 345,139 | 201,976 |
| COVID-19 government contribution receivable | | - | 82,000 |
| Prepayments | | 189,746 | 68,623 |
| Total current assets | | 4,213,521 | 2,501,231 |
| **Non-current assets** | | | |
| Deposits | | 8,800 | - |
| Plant and equipment | 13 | 32,265 | 175,014 |
| Right-of-use assets | 14 | - | 229,888 |
| Capitalised technology costs | 15 | 2,180,132 | 2,343,841 |
| Total non-current assets | | 2,221,197 | 2,748,743 |
| **Total assets** | | 6,434,718 | 5,249,974 |
| **Liabilities** | | | |
| **Current liabilities** | | | |
| Trade and other payables | 16 | 1,714,356 | 1,641,132 |
| Contract liabilities | 17 | 58,701 | 19,333 |
| Borrowings | 18 | 1,889,242 | 115,959 |
| Lease liabilities | 19 | - | 338,216 |
| Employee benefits | 20 | 193,576 | 156,289 |
| Provisions | 21 | - | 98,776 |
| Future transport payments | | 340,663 | 188,033 |
| Total current liabilities | | 4,196,538 | 2,557,738 |
| **Non-current liabilities** | | | |
| Borrowings | 18 | - | 1,744,651 |
| Employee benefits | 20 | 41,404 | 21,649 |
| Total non-current liabilities | | 41,404 | 1,766,300 |
| **Total liabilities** | | 4,237,942 | 4,324,038 |
| **Net assets** | | 2,196,776 | 925,936 |
| **Equity** | | | |
| Issued capital | 22 | 29,805,556 | 24,316,515 |
| Reserves | 23 | 2,630,041 | 3,450,313 |
| Accumulated losses | | (30,238,821) | (26,840,892) |
| **Total equity** | | 2,196,776 | 925,936 |

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

## Jayride Group Limited
## Statement of changes in equity
## For the year ended 30 June 2021

| | Issued capital $ | Reserves $ | Accumulated losses $ | Total equity $ |
|---|---|---|---|---|
| Balance at 1 July 2019 | 18,360,858 | 3,146,680 | (19,752,097) | 1,755,441 |
| Loss after income tax expense for the year | - | - | (7,088,795) | (7,088,795) |
| Other comprehensive income for the year, net of tax | - | - | - | - |
| Total comprehensive loss for the year | - | - | (7,088,795) | (7,088,795) |
| *Transactions with owners in their capacity as owners:* | | | | |
| Contributions of equity, net of transaction costs (note 22) | 4,764,672 | - | - | 4,764,672 |
| Exercise of options (note 22) | 38,261 | - | - | 38,261 |
| Share-based payments (shares) (note 33) | 1,152,724 | (115,726) | - | 1,036,998 |
| Share-based payments (options) (note 33) | - | 419,359 | - | 419,359 |
| Balance at 30 June 2020 | 24,316,515 | 3,450,313 | (26,840,892) | 925,936 |

| | Issued capital $ | Reserves $ | Accumulated losses $ | Total equity $ |
|---|---|---|---|---|
| Balance at 1 July 2020 | 24,316,515 | 3,450,313 | (26,840,892) | 925,936 |
| Loss after income tax expense for the year | - | - | (4,488,836) | (4,488,836) |
| Other comprehensive income for the year, net of tax | - | - | - | - |
| Total comprehensive loss for the year | - | - | (4,488,836) | (4,488,836) |
| *Transactions with owners in their capacity as owners:* | | | | |
| Contributions of equity, net of transaction costs (note 22) | 4,924,888 | - | - | 4,924,888 |
| Repayment of limited recourse loan (note 22) | 111,500 | - | - | 111,500 |
| Share-based payments (shares) (note 33) | 452,653 | (53,880) | - | 398,773 |
| Share-based payments (options) (note 33) | - | 324,515 | - | 324,515 |
| Transfer in relation to options exercised | - | (484,162) | 484,162 | - |
| Transfer in relation to expiry of share options | - | (606,745) | 606,745 | - |
| Balance at 30 June 2021 | 29,805,556 | 2,630,041 | (30,238,821) | 2,196,776 |

# Jayride Group Limited
## Statement of cash flows
## For the year ended 30 June 2021

| | Note | 2021 $ | 2020 $ |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Net receipts from bookings (inclusive of GST) | | 705,217 | 1,976,598 |
| Payments to suppliers and employees (inclusive of GST) | | (3,360,535) | (6,929,000) |
| Grants funding for operating activities | | 168,846 | 619,846 |
| COVID-19 government contributions | | 685,140 | 164,000 |
| Interest received | | 340 | 15,554 |
| Interest and other finance costs paid | | (268,848) | (292,430) |
| Net cash used in operating activities | 32 | (2,069,840) | (4,445,432) |
| **Cash flows from investing activities** | | | |
| Payments for plant and equipment | | - | (16,235) |
| Payments for intangibles | | (1,084,828) | (1,265,901) |
| Proceeds from deposits | | - | 323,890 |
| Grants funding for investing activities | | 550,668 | 489,024 |
| Proceeds from disposal of plant and equipment | | 2,092 | - |
| Net cash used in investing activities | | (532,068) | (469,222) |
| **Cash flows from financing activities** | | | |
| Proceeds from issue of shares | | 5,251,000 | 5,041,118 |
| Share issue transaction costs | | (326,113) | (238,185) |
| Repayment of borrowings | 32 | (115,959) | (38,907) |
| Proceeds from limited recourse loan | | 111,500 | - |
| Repayment of lease liabilities | 32 | (165,317) | (289,040) |
| Make good of right-of-use assets on termination of lease | | (50,000) | - |
| Net cash from financing activities | | 4,705,111 | 4,474,986 |
| Net increase/(decrease) in cash and cash equivalents | | 2,103,203 | (439,668) |
| Cash and cash equivalents at the beginning of the financial year | | 963,459 | 1,433,354 |
| Effects of exchange rate changes on cash and cash equivalents | | (25,003) | (30,227) |
| Cash and cash equivalents at the end of the financial year | 11 | 3,041,659 | 963,459 |

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

## Note 1. General information

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

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

Suite 1
Level 11
55 Clarence Street
Sydney NSW 2000

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 29 September 2021. The directors have the power to amend and reissue the financial statements.

## Note 2. Significant accounting policies

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

### New or amended Accounting Standards and Interpretations adopted

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

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

The following Accounting Standards and Interpretations are most relevant to the Company:

#### *Conceptual Framework for Financial Reporting (Conceptual Framework)*

The Company has adopted the revised Conceptual Framework from 1 July 2020. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the Company's financial statements.

### Basis of preparation

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

#### *Historical cost convention*

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

#### *Critical accounting estimates*

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

### Going concern

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

## Note 2. Significant accounting policies (continued)

As disclosed in the financial statements, the Company incurred a loss of $4,488,836 and had net cash outflows from operating activities of $2,069,840 for the year ended 30 June 2021.

The business and industry continue to be materially impacted by the COVID-19 pandemic. Currently, the Company's operations continue to be well under historical pre-COVID-19 levels. In light of the uncertainty over the spread of the virus, outlook on a vaccine, adoption of preventative measures, the global travel environment and governmental response, the Company is operating on the assumption that travel will increase gradually during the next 12 months, and it will achieve pre-COVID-19 levels during FY22.

Notwithstanding the above, the Directors, after reviewing the Company's cashflow forecasts for a period in excess of 12 months from the date of signing this financial report, believe that the company will have sufficient cash resources to meet its working capital requirements in the future and meet its debts as and when they fall due. The Directors' assessment that the company will continue as a going concern considered the following factors:

- The Company's revenue for the last quarter of FY2021 (approx. $350k) was significantly higher than the average revenue of the previous three quarters of the financial year (approx. $137k). This improvement was mainly due to increased operations in the US and European markets in line with the easing of travel restrictions and increasing vaccine levels.
- The Company's variable profit margin (Contribution) has steadily increased with FY21Q4 at 44.9%, compared to an average of 17.9% in the previous three quarters.
- As disclosed in note 34, in July 2021 the Company raised additional capital from investors of $7.9m net of fees and has subsequently repaid its borrowings.
- The Company has demonstrated the ability to raise further capital, if required, pursuant to ASX listing rule 7.1 and 7.1A.

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

## Foreign currency translation

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

## Current and non-current classification

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

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

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

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

## Note 2. Significant accounting policies (continued)

### Investments and other financial assets
Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, it's carrying value is written off.

*Investments*
Investments includes non-derivative financial assets with fixed or determinable payments and fixed maturities where the Company has the positive intention and ability to hold the financial asset to maturity. This category excludes financial assets that are held for an undefined period. Investments are carried at amortised cost using the effective interest rate method adjusted for any principal repayments. Gains and losses are recognised in profit or loss when the asset is derecognised or impaired.

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

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

### Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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

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

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

### Comparative information
Comparatives have been realigned where necessary, to agree with current year presentation. There was no change in the loss or net assets.

### New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Company for the annual reporting period ended 30 June 2021. The Company is in the process of assessing the impact of these new or amended Accounting Standards and Interpretations.

## Note 3. Critical accounting judgements, estimates and assumptions

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

### *COVID-19 pandemic*
Judgement has been exercised in considering the impacts that the COVID-19 pandemic has had, or may have, on the Company based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the Company operates.

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

### *Allowance for expected credit losses*
The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience, historical collection rates, the impact of the COVID-19 pandemic and forward-looking information that is available. The allowance for expected credit losses, as disclosed in note 12, is calculated based on the information available at the time of preparation. The actual credit losses in future years may be higher or lower.

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

### *Impairment of non-financial assets*
The Company assesses impairment of non-financial assets at each reporting date by evaluating conditions specific to the Company and to the particular asset that may lead to impairment. If an impairment indicator exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions. Key assumptions used in value-in-use calculation for capitalised technology costs are detailed in note 15.

### *Recovery of deferred tax assets*
Deferred tax assets are recognised for deductible temporary differences only if the Company considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

### *Incremental borrowing rate*
Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Company estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

## Note 4. Operating segments

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

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

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

### *Major customers*
During the year ended 30 June 2021 approximately 51.50% (30 June 2020: 18.67%) of the Company's external revenue was derived from sales to three major customers.

The total revenue contributed by the major customers is set below:

| | 2021<br>$ | 2020<br>$ |
|---|---|---|
| Customer 1 | 192,823 | 185,537 |
| Customer 2 | 123,950 | 248,053 |
| Customer 3 | 87,577 | 560 |

All three of the above customers were travel partners.

### *Geographical information*

| | Sales to external customers | | Geographical non-current assets | |
|---|---|---|---|---|
| | **2021**<br>**$** | **2020**<br>**$** | **2021**<br>**$** | **2020**<br>**$** |
| Oceania | 122,536 | 825,613 | 2,221,197 | 2,748,743 |
| Europe | 108,866 | 438,036 | - | - |
| North America | 511,951 | 1,655,629 | - | - |
| South America | 1,252 | 20,040 | - | - |
| Asia | 9,279 | 271,593 | - | - |
| Africa | 5,526 | 25,353 | - | - |
| | 759,410 | 3,236,264 | 2,221,197 | 2,748,743 |

The geographical information for the year ended 30 June 2020 has been re-aligned with the presentation for the year ended 30 June 2021.

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

## Note 5. Net commission and fees booked

| | 2021 $ | 2020 $ |
|---|---|---|
| **Revenue from contracts with customers** | | |
| Net commission and fees booked | 759,410 | 3,236,264 |

*Disaggregation of revenue*
For disaggregation of revenue from contracts with customers, refer to note 4.

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

*Accounting policy for revenue recognition*
The Company recognises revenue as follows:

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

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

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

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

## Note 6. Other income

| | 2021 $ | 2020 $ |
|---|---|---|
| Government contributions (Research and development tax incentive and Export Market Development Grant) | 115,037 | 218,487 |
| COVID-19 government contributions* | 503,500 | 246,000 |
| COVID-19 rental concession discount | - | 78,994 |
| COVID-19 consumer travel support | 100,000 | - |
| Gain on derecognition of right-of-use assets | 44,328 | - |
| Proceeds from insurance settlement | 93,470 | - |
| Other losses | - | (40) |
| | 856,335 | 543,441 |

## Note 6. Other income (continued)

* During the year, due to COVID-19 pandemic, the Company has received $503,500 (2020: $171,000) from JobKeeper support payments from the Australian Government which are passed on to eligible employees. These have been recognised as government grants in the financial statements and recorded as other income over the periods in which the related employee benefits are recognised as an expense.

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

*Accounting policy for government grants*
Grants from the government are recognised at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

*Accounting policy for other income*
Other income is recognised when it is received or when the right to receive payment is established.

## Note 7. Growth costs

| | 2021<br>$ | 2020<br>$ |
|---|---|---|
| Technology costs not capitalised (a) | 125,078 | 88,251 |
| Employee and contractor costs | 1,078,550 | 1,472,173 |
| Other growth costs | 13,727 | 56,588 |
| | 1,217,355 | 1,617,012 |

(a) Technology costs not capitalised

| | 2021<br>$ | 2020<br>$ |
|---|---|---|
| Total technology costs | 1,209,906 | 1,354,152 |
| Less: capitalised technology costs (note 15) | (1,084,828) | (1,265,901) |
| Technology costs not capitalised | 125,078 | 88,251 |

Growth costs are investments made into improving the long-term performance of the Company that are not capitalised. These costs include the leadership team, technology costs not capitalised, and non-variable sales and marketing costs. The costs are considered to be more discretionary than other operational costs and are accordingly disclosed separately.

## Note 8. Expenses

| | 2021 $ | 2020 $ |
|---|---|---|
| Loss before income tax includes the following specific expenses: | | |
| *Depreciation* | | |
| Fixtures and fittings | 1,738 | 19,231 |
| Office buildings right-of-use assets | 47,650 | 580,161 |
| Computer equipment | 19,963 | 23,642 |
| Office equipment | 23 | 1,705 |
| Total depreciation | 69,374 | 624,739 |
| *Amortisation* | | |
| Capitalised technology costs | 925,654 | 786,742 |
| Total depreciation and amortisation | 995,028 | 1,411,481 |
| *Finance costs* | | |
| Interest and finance charges paid/payable on borrowings | 361,656 | 464,168 |
| Interest and finance charges paid/payable on lease liabilities | 1,646 | 31,472 |
| Unwinding of the discount on provisions | 244 | 2,877 |
| Finance costs expensed | 363,546 | 498,517 |
| *Superannuation expense* | | |
| Defined contribution superannuation expense | 214,053 | 284,254 |

*Accounting policy for finance costs*

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

## Note 9. Income tax expense

| | 2021 $ | 2020 $ |
|---|---|---|
| *Numerical reconciliation of income tax expense and tax at the statutory rate* | | |
| Loss before income tax expense | (4,488,836) | (7,088,795) |
| | | |
| Tax at the statutory tax rate of 26% (2020: 27.5%) | (1,167,097) | (1,949,419) |
| | | |
| Tax effect amounts which are not deductible/(taxable) in calculating taxable income: | | |
| Depreciation and amortisation | 115,187 | 359,082 |
| Entertainment expenses | 1,044 | 3,340 |
| Share-based payments | 188,055 | 400,498 |
| Employee benefits | 14,831 | (13,908) |
| Provision for expected credit losses | 79,784 | 891 |
| Share issue costs | 84,789 | 65,501 |
| Prepaid expenses | (32,160) | (6,297) |
| Foreign exchange losses | 6,311 | 8,312 |
| Research and development | (3,910) | 24,462 |
| Sundry items | (63,534) | (128,676) |
| | | |
| | (776,700) | (1,236,214) |
| Current year tax losses for which no deferred tax asset has been recognised | 776,700 | 1,236,214 |
| | | |
| Income tax expense | - | - |

| | 2021 $ | 2020 $ |
|---|---|---|
| *Tax losses not recognised* | | |
| Unused tax losses for which no deferred tax asset has been recognised | 20,146,206 | 17,158,896 |
| | | |
| Potential tax benefit @ 25% (2020: 26%) | 5,036,552 | 4,461,313 |

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

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

An income tax benefit will arise for the financial year where an income tax loss is incurred and, where permitted to do so, is carried-back against a qualifying prior period's tax payable to generate a refundable tax offset.

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

## Note 9. Income tax expense (continued)

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

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

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

## Note 10. Loss per share

| | 2021<br>$ | 2020<br>$ |
|---|---|---|
| Loss after income tax attributable to the owners of Jayride Group Limited | (4,488,836) | (7,088,795) |
| | **Number** | **Number** |
| Weighted average number of ordinary shares used in calculating basic loss per share | 115,908,608 | 93,426,307 |
| Weighted average number of ordinary shares used in calculating diluted loss per share | 115,908,608 | 93,426,307 |
| | **Cents** | **Cents** |
| Basic loss per share | (3.87) | (7.59) |
| Diluted loss per share | (3.87) | (7.59) |

6,916,476 (30 June 2020: 3,439,862) options, 3,025,000 (30 June 2020: 3,650,000) performance options, 3,616,637 (30 June 2020: 3,616,637) warrants and 27,244 (30 June 2020: 2,215,240) shares held in Employees' Trust have been excluded from the above calculation as their inclusion would be anti-dilutive.

### *Accounting policy for loss per share*

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

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

## Note 11. Cash and cash equivalents

| | 2021 $ | 2020 $ |
|---|---|---|
| *Current assets* | | |
| Cash at bank and on hand | 3,041,659 | 963,459 |

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

## Note 12. Trade and other receivables

| | 2021 $ | 2020 $ |
|---|---|---|
| *Current assets* | | |
| Trade receivables | 598,152 | 572,615 |
| Less: Allowance for expected credit losses | (339,349) | (32,489) |
| | 258,803 | 540,126 |
| | | |
| Goods and services tax receivable | 40,254 | 25,894 |
| Research and development incentive receivable | 337,920 | 619,153 |
| | 636,977 | 1,185,173 |

### *Allowance for expected credit losses*
The Company has recognised a loss of $336,293 in profit or loss in respect of the expected credit losses for the year ended 30 June 2021 (30 June 2020: $49,484). The Company received $93,470 proceeds from insurance settlement on aged receivables that has been fully provisioned but not yet written-off in trade receivables with recovery discussions on-going.

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

| | Expected credit loss rate | | Carrying amount | | Allowance for expected credit losses | |
|---|---|---|---|---|---|---|
| | 2021 % | 2020 % | 2021 $ | 2020 $ | 2021 $ | 2020 $ |
| Current | - | 1.000% | 134,959 | 8,209 | - | 82 |
| Less than 3 months overdue | 13.890% | 5.819% | 46,279 | 191,990 | 6,428 | 11,172 |
| 3 to 6 months overdue | 14.889% | 5.250% | 5,868 | 294,270 | 874 | 15,449 |
| Over 6 months overdue | 80.781% | 7.404% | 411,046 | 78,146 | 332,047 | 5,786 |
| | | | 598,152 | 572,615 | 339,349 | 32,489 |

The Company has increased its monitoring of debt recovery as there is an increased probability of customers delaying payment or being unable to pay, due to COVID-19 pandemic.

## Note 12. Trade and other receivables (continued)

Movements in the allowance for expected credit losses are as follows:

| | 2021 $ | 2020 $ |
|---|---|---|
| Opening balance | 32,489 | 19,958 |
| Additional provisions recognised | 336,293 | 49,484 |
| Receivables written off during the year as uncollectable | (29,433) | (36,953) |
| Closing balance | 339,349 | 32,489 |

### *Accounting policy for trade receivables*

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

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

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

## Note 13. Plant and equipment

| | 2021 $ | 2020 $ |
|---|---|---|
| *Non-current assets* | | |
| Fixtures and fittings - at cost | 3,648 | 173,161 |
| Less: Accumulated depreciation | (3,011) | (52,666) |
| | 637 | 120,495 |
| Computer equipment - at cost | 156,240 | 166,755 |
| Less: Accumulated depreciation | (124,613) | (112,966) |
| | 31,627 | 53,789 |
| Office equipment - at cost | 1,250 | 3,896 |
| Less: Accumulated depreciation | (1,249) | (3,166) |
| | 1 | 730 |
| | 32,265 | 175,014 |

## Note 13. Plant and equipment (continued)

### *Reconciliations*

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

| | Fixtures and fittings $ | Computer equipment $ | Office equipment $ | Total $ |
|---|---|---|---|---|
| Balance at 1 July 2019 | 139,726 | 62,460 | 1,170 | 203,356 |
| Additions | - | 20,900 | 1,265 | 22,165 |
| Disposals | - | (5,929) | - | (5,929) |
| Depreciation expense | (19,231) | (23,642) | (1,705) | (44,578) |
| Balance at 30 June 2020 | 120,495 | 53,789 | 730 | 175,014 |
| Disposals | (118,120) | (2,199) | (706) | (121,025) |
| Depreciation expense | (1,738) | (19,963) | (23) | (21,724) |
| Balance at 30 June 2021 | 637 | 31,627 | 1 | 32,265 |

### *Accounting policy for plant and equipment*

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

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

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

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

## Note 14. Right-of-use assets

| | 2021 $ | 2020 $ |
|---|---|---|
| *Non-current assets* | | |
| Office buildings - right-of-use | - | 810,049 |
| Less: Accumulated depreciation | - | (580,161) |
| | - | 229,888 |

The Company leased office space under an agreement that was surrendered on 31 July 2020. The Company recognised a gain on derecognition of the right-of-use of $44,328 (2020: $nil) (refer to note 6). No additions to the right-of-use assets were made during current and previous year.

### *Accounting policy for right-of-use assets*

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

## Note 14. Right-of-use assets (continued)

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

## Note 15. Capitalised technology costs

| | 2021<br>$ | 2020<br>$ |
|---|---|---|
| *Non-current assets* | | |
| Capitalised technology costs | 4,980,614 | 4,218,669 |
| Less: Accumulated amortisation | (2,800,482) | (1,874,828) |
| | 2,180,132 | 2,343,841 |

### *Reconciliations*

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

| | Capitalised technology costs<br>$ |
|---|---|
| Balance at 1 July 2019 | 2,415,348 |
| Additions | 1,265,901 |
| Research and development tax offset | (550,666) |
| Amortisation expense | (786,742) |
| Balance at 30 June 2020 | 2,343,841 |
| Additions | 1,084,828 |
| Research and development tax offset | (322,883) |
| Amortisation expense | (925,654) |
| Balance at 30 June 2021 | 2,180,132 |

The recoverable amount of the capitalised technology costs has been determined by a value-in-use calculation using a discounted cash flow model ('DCF'), based on a five-year forecast.

Key assumptions are those to which the recoverable amount of an asset or cash-generating unit is most sensitive. The following key assumptions were used in the DCF model.

The following key assumptions were used in the DCF model:

| Key assumption | 2021<br>% |
|---|---|
| Compounded annual growth rate | 104.02% |
| Gross profit margin (after deducting variable and support costs) | - |
| Cumulative return on sales | (0.18%) |
| Weighted average cost of capital ('WACC') | 17.88% |

## Note 15. Capitalised technology costs (continued)

Sensitivity testing reveals impairment would have occurred if compounded annual growth rate was below 98.38%.

Management believes the compounded annual growth rate adopted is reasonable given the base position that growth is measured against, the size of the market, the structural shift to online booking, expected changes to the competitive landscape and the uncertainty caused by COVID-19. The value-in-use calculation assumes a return to pre-COVID-19 volumes in FY23 and historical growth rates after that point.

Sensitivity testing reveals impairment of the capitalised technology costs would have occurred if the cumulative return on sales was less than -14.03%.

Management believes the WACC adopted is a reasonable reflection of the Company's current and forecast WACC, the time value of money, risk-free interest rates and the volatility of the share price relative to market movements.

Sensitivity testing reveals impairment of the capitalised technology costs would have occurred if the WACC was more than 29.25%.

*Accounting policy for capitalised technology costs*
Capitalised technology costs are considered and carried at cost less accumulated amortisation and impairment losses. Amortisation commenced when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management, which is when it has reached commercialisation stage. Amortisation is on a straight-line basis over the estimated useful life of 5 (2020: 5) years.

## Note 16. Trade and other payables

| | 2021<br>$ | 2020<br>$ |
|---|---|---|
| *Current liabilities* | | |
| Trade payables | 1,027,561 | 1,123,287 |
| Other payables | 686,795 | 517,845 |
| | 1,714,356 | 1,641,132 |

Refer to note 25 for further information on financial instruments.

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

## Note 17. Contract liabilities

| | 2021<br>$ | 2020<br>$ |
|---|---|---|
| *Current liabilities* | | |
| Contract liabilities | 58,701 | 19,333 |

*Unsatisfied performance obligations*
The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied at the end of the reporting period was $58,701 as at 30 June 2021 ($19,333 as at 30 June 2020) and is expected to be recognised as revenue in future periods.

## Note 17. Contract liabilities (continued)

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

## Note 18. Borrowings

| | 2021<br>$ | 2020<br>$ |
|---|---|---|
| *Current liabilities* | | |
| Financing facility | 1,889,242 | 115,959 |
| *Non-current liabilities* | | |
| Financing facility | - | 1,744,651 |
| | 1,889,242 | 1,860,610 |

The break-down of the current (2020: non-current) financing facility is set below:

| | 2021<br>$ | 2020<br>$ |
|---|---|---|
| Loan received | 2,000,000 | 2,000,000 |
| Fair value of warrants issued treated as arrangement fee | (367,086) | (367,086) |
| Interest on warrants issued | 316,328 | 171,737 |
| Transaction fee | (60,000) | (60,000) |
| | 1,889,242 | 1,744,651 |

Refer to note 25 for further information on financial instruments.

## Note 18. Borrowings (continued)

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

| | |
|---|---|
| Amount | $2,000,000 |
| Term | 36 months from the date of drawdown. The maturity date is 31 March 2023. |
| Interest rate | 10.50% per annum |
| Warrants issued | The warrants have an exercise price $0.26. The exercise price was calculated using the lower of a) $0.553; or b) a 25% premium to the raise price of any future capital raise requiring extraordinary general meeting ('EGM') approval to increase shares on issue by greater than 15%.<br><br>The number of warrants issued at the time of drawdown were 3,616,637 warrants, being $2,000,000 divided by the exercise price of $0.553. |
| Accounting treatment | Under AASB 2 the fair value of the warrants is considered part of the transaction costs of obtaining the loan facility. The fair value of the warrants is deducted from the fair value of the loan and recognised as a share-based payments reserve. |
| Fair value of options | The fair value of the warrants is $367,086, which was calculated using a binomial valuation. Each warrant has a fair value of $0.101. |
| Right to compel conversion | The Company may compel conversion of 3,616,637 Warrants if the VWAP exceeds $0.75 over a 30 day period. |
| Post conversion escrow | Ordinary shares resulting from the exercise of warrants will be escrowed for a period of 6 months post conversion. |
| Loan early redemption | The Company could redeem the loan early subject to standard commercial terms. |

### *Financing arrangements*

| | 2021<br>$ | 2020<br>$ |
|---|---|---|
| Total facilities | | |
| Borrowings | 2,000,000 | 2,000,000 |
| Used at the reporting date | | |
| Borrowings | 2,000,000 | 2,000,000 |
| Unused at the reporting date | | |
| Borrowings | - | - |

### *Accounting policy for borrowings*

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

## Note 19. Lease liabilities

| | 2021<br>$ | 2020<br>$ |
|---|---|---|
| *Current liabilities* | | |
| Lease liability | - | 338,216 |

## Note 19. Lease liabilities (continued)

Refer to note 25 for information on the maturity analysis of lease liabilities.

### *Accounting policy for lease liabilities*

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred. Variable lease payments include rent concessions in the form of rent forgiveness or a waiver as a direct consequence of the COVID-19 pandemic and which relate to payments originally due on or before 30 June 2021.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

## Note 20. Employee benefits

| | 2021<br>$ | 2020<br>$ |
|---|---|---|
| *Current liabilities* | | |
| Annual Leave | 162,164 | 139,693 |
| Long service leave | 31,412 | 16,596 |
| | 193,576 | 156,289 |
| *Non-current liabilities* | | |
| Long service leave | 41,404 | 21,649 |
| | 234,980 | 177,938 |

### *Amounts not expected to be settled within the next 12 months*

The current provision for employee benefits includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire amount is presented as current, since the Company does not have an unconditional right to defer settlement. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

The following amounts reflect leave that is not expected to be taken within the next 12 months:

| | 2021<br>$ | 2020<br>$ |
|---|---|---|
| Employee benefits obligation expected to be settled after 12 months | 23,225 | 15,074 |

## Note 20. Employee benefits (continued)

### *Accounting policy for employee benefits*

### *Short-term employee benefits*
Liabilities for wages and salaries, including non-monetary benefits, are expected to be settled wholly within 12 months of the reporting date. These liabilities are deemed to be short-term employee benefits and are measured at the amounts expected to be paid when the liabilities are settled.

### *Other long-term employee benefits*
The liability for annual leave and long service leave are not expected to be settled within 12 months of the reporting date and therefore, are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. 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 reporting date on high-quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

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

## Note 21. Provisions

| | 2021<br>$ | 2020<br>$ |
|---|---|---|
| *Current liabilities* | | |
| Make good | - | 98,776 |

### *Make good*
The provision represents the present value of the estimated costs to make good the premises leased by the Company at the end of the respective lease terms.

### *Movements in make good*
Movements in make good provision is set out below:

| **2021** | Make good<br>$ |
|---|---|
| Carrying amount at the start of the year | 98,776 |
| Additional provisions recognised | 244 |
| Cost to make good on termination of lease | (50,000) |
| Derecognition of provision not required on termination of lease | (49,020) |
| Carrying amount at the end of the year | - |

### *Accounting policy for provisions*
Provisions are recognised when the Company has a present (legal or constructive) obligation as a result of a past event, it is probable the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

## Note 22. Issued capital

| | 2021 Shares | 2020 Shares | 2021 $ | 2020 $ |
|---|---|---|---|---|
| Ordinary shares - fully paid | 135,825,080 | 102,887,024 | 29,805,556 | 24,316,515 |
| Ordinary shares - held in Employees' Trust | 27,244 | 2,355,803 | - | - |
| Ordinary shares - held in Employees' Trust (allocated not converted) | - | (140,563) | - | - |
| | 135,852,324 | 105,102,264 | 29,805,556 | 24,316,515 |

### *Ordinary shares*

Ordinary shares entitle the holder to participate in any dividends declared and any proceeds attributable to shareholders should the Company be wound up, in proportions that consider both the number of shares held and the extent to which those shares are paid up. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

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

### *Ordinary shares held in Employees' Trust*

During the year 2019, the Jayride Employee Share Trust ('Trust') was established to streamline share-based compensation for employees. Fully paid ordinary shares in the Company were issued to Royal Exchange Nominees Pty Ltd, as trustee of the Trust. The Trust issues shares to employees as part of their remuneration package. The Trust controls the shares set aside for future share-based remuneration.

### *Share buy-back*

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

### *Capital risk management*

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

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

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

The capital risk management policy remains unchanged from the 2020 Annual Report.

### *Accounting policy for issued capital*

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

## Note 22. Issued capital (continued)

*Movements in ordinary share capital*

| Details | Date | Shares | Issue price | $ |
|---|---|---|---|---|
| Balance | 1 July 2019 | 81,682,411 | | 18,360,858 |
| Issue of shares to employees under ESS | 15 July 2019 | 328,100 | $0.3250 | 106,632 |
| Issue of shares to employees under ESS | 15 August 2019 | 456,103 | $0.3960 | 180,456 |
| Issue of shares to employees under ESS | 16 September 2019 | 401,763 | $0.4000 | 160,708 |
| Repayment of limited recourse loan - pre-IPO options | 11 October 2019 | 624,184 | $0.0481 | 30,000 |
| Issue of shares to employees under ESS | 16 October 2019 | 98,147 | $0.3930 | 38,556 |
| Issue of shares to employees under ESS | 15 November 2019 | 398,025 | $0.3300 | 131,344 |
| Issue of shares | 20 November 2019 | 10,672,567 | $0.3000 | 3,201,770 |
| Issue of shares to employees under ESS | 16 December 2019 | 405,063 | $0.3000 | 121,520 |
| Issue of shares to employees under ESS | 18 December 2019 | 97,680 | $0.3000 | 29,304 |
| Issue of shares - share purchase plan | 18 December 2019 | 2,675,021 | $0.3000 | 802,500 |
| Issue of shares | 23 December 2019 | 3,328,625 | $0.3000 | 998,588 |
| Issue of shares to employees under ESS | 15 January 2020 | 161,364 | $0.3520 | 57,371 |
| Repayment of limited recourse loan - pre-IPO options | 4 February 2020 | 171,865 | $0.0481 | 8,261 |
| Issue of shares to employees under ESS | 17 February 2020 | 250,671 | $0.3019 | 75,672 |
| Issue of shares to employees under ESS | 20 April 2020 | 663,387 | $0.0792 | 52,524 |
| Issue of shares to employees under ESS | 15 May 2020 | 808,728 | $0.1567 | 126,708 |
| Issue of shares to employees under ESS | 16 Jun 2020 | 459,369 | $0.1566 | 71,928 |
| Share issue costs | | - | - | (238,185) |
| Previously issued shares - pre-IPO options | | (796,049) | - | - |
| Balance | 30 June 2020 | 102,887,024 | | 24,316,515 |
| Issue of shares to employees under Employee Share Scheme ('ESS') | 15 July 2020 | 60,720 | $0.1481 | 8,994 |
| Issue of shares to employees under ESS | 20 July 2020 | 107,258 | $0.1414 | 15,165 |
| Issue of shares to employees under ESS | 16 August 2020 | 724,405 | $0.1351 | 95,281 |
| Issue of shares | 21 October 2020 | 10,000,000 | $0.1500 | 1,500,000 |
| Issue of shares to employees under ESS | 19 November 2020 | 17,712 | $0.1550 | 2,746 |
| Issue of shares | 24 November 2020 | 4,006,667 | $0.1500 | 601,000 |
| Issue of shares | 27 November 2020 | 2,660,010 | $0.1500 | 399,000 |
| Issue of shares to employees under ESS | 15 December 2020 | 553,982 | $0.1200 | 66,478 |
| Repayment of limited recourse loan - pre-IPO options | 21 December 2020 | 342,431 | $0.1181 | 40,428 |
| Issue of shares to directors under ESS (accrued) | 31 December 2020 | 983,383 | $0.1600 | 157,339 |
| Repayment of limited recourse loan - pre-IPO options | 7 January 2021 | 1,158,731 | $0.1181 | 67,343 |
| Issue of shares to employees under ESS | 19 February 2021 | 385,798 | $0.1264 | 48,752 |
| Issue of shares to employees under ESS | 6 April 2021 | 329,036 | $0.1700 | 55,936 |
| Issue of shares to employees under ESS | 14 May 2021 | 9,085 | $0.2159 | 1,962 |
| Repayment of limited recourse loan - pre-IPO options | 17 May 2021 | 77,596 | $0.0481 | 3,729 |
| Issue of shares | 18 June 2021 | 851,257 | $0.2100 | 178,764 |
| Issue of shares | 23 June 2021 | 12,248,743 | $0.2100 | 2,572,236 |
| Share issue costs | | - | - | (326,112) |
| Previously issued shares - pre-IPO options | | (1,578,758) | - | - |
| Balance | 30 June 2021 | 135,825,080 | | 29,805,556 |

## Note 22. Issued capital (continued)

### *Movements in shares held in Employees Trust*

| Details | Date | Shares | Issue price | $ |
|---|---|---|---|---|
| Balance | 1 July 2019 | 2,645,960 | | |
| Issue of shares to employees | 15 July 2019 | (328,100) | $0.3250 | 106,632 |
| Issue of shares to employees | 15 August 2019 | (456,103) | $0.9600 | 180,456 |
| Issue of shares to employees | 16 September 2019 | (401,763) | $0.4000 | 160,708 |
| Issue of shares to employees | 16 October 2019 | (98,147) | $0.3930 | 38,556 |
| Issue of shares to employees | 15 November 2019 | (398,025) | $0.3300 | 131,344 |
| Issue of shares to employees | 16 December 2019 | (405,063) | $0.3000 | 121,520 |
| Issue of shares to employees | 15 January 2020 | (161,364) | $0.3520 | 57,371 |
| Issue of shares to employees | 17 February 2020 | (250,671) | $0.3019 | 75,672 |
| Shares issued to Employee Share Trust | 17 April 2020 | 4,000,000 | $0.0000 | - |
| Issue of shares to employees | 20 April 2020 | (663,387) | $0.0792 | 52,524 |
| Issue of shares to employees | 15 May 2020 | (808,728) | $0.1567 | 126,708 |
| Issue of shares to employees | 16 Jun 2020 | (459,369) | $0.1566 | 71,929 |
| | | | | |
| Balance | 30 June 2020 | 2,215,240 | | |
| Issue of shares to employees | 15 July 2020 | (60,720) | $0.1481 | 8,994 |
| Issue of shares to employees | 20 July 2020 | (107,258) | $0.1414 | 15,165 |
| Issue of shares to employees | 16 August 2020 | (724,405) | $0.1315 | 95,281 |
| Issue of shares to employees | 19 November 2020 | (17,712) | $0.1550 | 2,746 |
| Issue of shares to employees | 15 December 2020 | (553,982) | $0.1200 | 66,478 |
| Issue of shares to employees | 19 February 2021 | (385,798) | $0.1264 | 48,752 |
| Issue of shares to employees | 6 April 2021 | (329,036) | $0.1700 | 55,936 |
| Issue of shares to employees | 14 May 2021 | (9,085) | $0.2159 | 1,962 |
| | | | | |
| Balance | 30 June 2021 | 27,244 | | |

### *Accounting policy for issued capital*
Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

## Note 23. Reserves

| | 2021<br>$ | 2020<br>$ |
|---|---|---|
| Share-based payments reserve | 2,630,041 | 3,450,313 |

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

## Note 23. Reserves (continued)

*Movements in share-based payments reserve*

| | Share-based payments | | | |
|---|---|---|---|---|
| | Equity $ | Options $ | Warrants $ | Total $ |
| Balance at 1 July 2019 | 281,887 | 2,497,707 | 367,086 | 3,146,680 |
| Share-based payments (shares) | (115,726) | - | - | (115,726) |
| Share-based payments (options) | - | 419,359 | - | 419,359 |
| Balance at 30 June 2020 | 166,161 | 2,917,066 | 367,086 | 3,450,313 |
| Share-based payments (shares) | (53,880) | - | - | (53,880) |
| Share-based payments (options) | - | 324,515 | - | 324,515 |
| Transfer in relation to exercise of share options | - | (484,162) | - | (484,162) |
| Transfer in relation to expiry of share options | - | (606,745) | - | (606,745) |
| Balance at 30 June 2021 | 112,281 | 2,150,674 | 367,086 | 2,630,041 |

## Note 24. Dividends

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

*Accounting policy for dividends*
Dividends are recognised when declared during the financial year and no longer at the discretion of the Company.

## Note 25. Financial instruments

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

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

### *Market risk*

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

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The Company does not have any financial assets and financial liabilities denominated in a currency other than its functional currency.

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

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

## Note 25. Financial instruments (continued)

### *Interest rate risk*
The Company's main interest rate risk arises from long-term borrowings. Borrowings obtained at variable rates expose the Company to interest rate risk. Borrowings obtained at fixed rates expose the Company to fair value interest rate risk. At the reporting date the Company only has fixed rate borrowings.

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

### *Credit risk*
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The Company obtains insurance where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount of cash and cash equivalents and trade receivables as disclosed in the statement of financial position and notes to the financial statements.

The Company has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the consolidated entity based on recent sales experience, historical collection rates and forward-looking information that is available. As disclosed in note 12, due to the COVID-19 pandemic, the calculation of expected credit losses has been revised as at 30 June 2021 and rates have increased in each category up to 6 months overdue.

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

The management has assessed the credit risk to be insignificant as a result of insurance cover on the majority of the current receivables.

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

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

## Note 25. Financial instruments (continued)

### *Remaining contractual maturities*

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

| **2021** | Weighted average interest rate % | 1 year or less $ | Between 1 and 2 years $ | Between 2 and 5 years $ | Over 5 years $ | Remaining contractual maturities $ |
|---|---|---|---|---|---|---|
| **Non-derivatives** | | | | | | |
| *Non-interest bearing* | | | | | | |
| Trade payables | - | 1,027,561 | - | - | - | 1,027,561 |
| Other payables | - | 686,795 | - | - | - | 686,795 |
| | | | | | | |
| *Interest-bearing - fixed rate* | | | | | | |
| Financial facility* | 10.50% | 2,149,445 | - | - | - | 2,149,445 |
| Total non-derivatives | | 3,863,801 | - | - | - | 3,863,801 |

* The weighted average interest rate includes a fixed 18.79% interest only coupon as well as the fair value of the warrants and other transaction costs.

| **2020** | Weighted average interest rate % | 1 year or less $ | Between 1 and 2 years $ | Between 2 and 5 years $ | Over 5 years $ | Remaining contractual maturities $ |
|---|---|---|---|---|---|---|
| **Non-derivatives** | | | | | | |
| *Non-interest bearing* | | | | | | |
| Trade payables | - | 1,123,287 | - | - | - | 1,123,287 |
| Other payables | - | 517,845 | - | - | - | 517,845 |
| | | | | | | |
| *Interest-bearing - fixed rate* | | | | | | |
| Lease liability | 6.00% | 338,216 | - | - | - | 338,216 |
| Short-term finance factoring | 10.49% | 115,959 | - | - | - | 115,959 |
| Financial facility* | 10.50% | 210,000 | 2,210,000 | - | - | 2,420,000 |
| Total non-derivatives | | 2,305,307 | 2,210,000 | - | - | 4,515,307 |

* The impact of the warrants that have been treated as financing costs is excluded. The effective rate of interest including these costs is 18.79%.

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

## Note 26. Fair value measurement

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

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

## Note 27. Key management personnel disclosures

### *Compensation*

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

| | 2021<br>$ | 2020<br>$ |
|---|---|---|
| Short-term employee benefits | 1,030,296 | 927,652 |
| Post-employment benefits | 71,122 | 77,451 |
| Share-based payments | 343,740 | 597,427 |
| | 1,445,158 | 1,602,530 |

## Note 28. Remuneration of auditors

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

| | 2021<br>$ | 2020<br>$ |
|---|---|---|
| *Audit services* | | |
| Audit or review of the financial statements | 65,500 | 59,900 |

## Note 29. Contingent liabilities

The Company has given bank guarantees as at 30 June 2021 of $nil (2020: $323,890) to various landlords.

## Note 30. Commitments

The Company had no commitments as at 30 June 2021 and 30 June 2020.

## Note 31. Related party transactions

### *Key management personnel*

Disclosures relating to key management personnel are set out in note 27 and the remuneration report included in the directors' report.

### *Transactions with related parties*

There were no transactions with related parties during the current and previous financial year except those disclosed in the remuneration report.

### *Receivable from and payable to related parties*

The following balances are outstanding at the reporting date in relation to transactions with related parties:

| | 2021<br>$ | 2020<br>$ |
|---|---|---|
| Current payables: | | |
| Remuneration payable to Directors and other KMP | 277,199 | - |

No other amounts were payable to or receivable from related parties at 30 June 2021 and 30 June 2020.

## Note 31. Related party transactions (continued)

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

### *Terms and conditions*
All transactions were made on normal commercial terms and conditions and at market rates.

## Note 32. Cash flow information

### *Reconciliation of loss after income tax to net cash used in operating activities*

| | 2021<br>$ | 2020<br>$ |
|---|---|---|
| Loss after income tax expense for the year | (4,488,836) | (7,088,795) |
| | | |
| Adjustments for: | | |
| Net loss on disposal of property, plant and equipment | 118,933 | - |
| Depreciation and amortisation | 995,028 | 1,411,481 |
| Share-based payments | 723,288 | 1,456,357 |
| Foreign exchange differences | 25,003 | 30,227 |
| Transaction costs capitalised | 144,591 | 171,737 |
| Unwinding of the discount on provisions | 244 | 2,877 |
| Gain on derecognition of right-of-use assets | (44,328) | - |
| COVID-19 rental concession discount | - | (86,894) |
| | | |
| Change in operating assets and liabilities: | | |
| Decrease/(increase) in trade receivables | 554 | (76,313) |
| Decrease/(increase) in contract assets | (143,163) | 150,983 |
| Increase in prepayments | (121,123) | (18,086) |
| Decrease in grant receivable (attributed to operations) | 89,449 | 401,359 |
| Increase/(decrease) in trade and other payables | 227,250 | (730,980) |
| Increase/(decrease) in contract liabilities | 39,368 | (18,810) |
| Increase/(decrease) in employee benefits | 57,042 | (50,575) |
| Increase in allowance for expected credit losses | 306,860 | - |
| | | |
| Net cash used in operating activities | (2,069,840) | (4,445,432) |

## Note 32. Cash flow information (continued)

*Changes in liabilities arising from financing activities*

| | Financing facility $ | Lease liability $ | Total $ |
|---|---|---|---|
| Balance at 1 July 2019 | 1,727,780 | - | 1,727,780 |
| Repayment of borrowings | (38,907) | - | (38,907) |
| Repayment of lease liabilities | - | (320,512) | (320,512) |
| Recognised on adoption of AASB 16 | - | 714,150 | 714,150 |
| Interest expense | 171,737 | 31,472 | 203,209 |
| COVID-19 rental concession discount | - | (86,894) | (86,894) |
| Balance at 30 June 2020 | 1,860,610 | 338,216 | 2,198,826 |
| Repayment of borrowings | (115,959) | - | (115,959) |
| Repayment of lease liabilities | - | (165,317) | (165,317) |
| Derecognition of right-of-use assets accounts on termination of the lease | - | (174,545) | (174,545) |
| Interest expense | 144,591 | 1,646 | 146,237 |
| Balance at 30 June 2021 | 1,889,242 | - | 1,889,242 |

## Note 33. Share-based payments

**Employee Share Scheme ('ESS')**

In 2017, the Company established an ESS that incentivises employees to become shareholders of the Company.

The Company issued shares to key employees as part of their base package as well as on a performance basis for achieving net revenue, profitability, or cash milestones in the 2021 financial year. The shares issued were as follows:

| Actual issue date | Issue price | Base package Number of shares issued | Performance Number of shares issued | Total Number of shares issued |
|---|---|---|---|---|
| 15/07/2020 | $0.1481 | 60,720 | - | 60,720 |
| 20/07/2020 | $0.1414 | - | 107,258 | 107,258 |
| 16/08/2020 | $0.1315 | 63,540 | 660,865 | 724,405 |
| 19/11/2020 | $0.1550 | - | 17,712 | 17,712 |
| 15/12/2020 | $0.1200 | 158,299 | 395,683 | 553,982 |
| 31/12/2020 | $0.1600 | 983,383 | - | 983,383 |
| 19/02/2021 | $0.1264 | 58,406 | 327,392 | 385,798 |
| 06/04/2021 | $0.1700 | 31,369 | 297,667 | 329,036 |
| 14/05/2021 | $0.2160 | 9,085 | - | 9,085 |
| Reversal of prior year accruals | $0.1511 | (882,598) | (217,212) | (1,099,810) |
| Accrued | $0.2205 | 171,130 | 338,037 | 509,167 |
| | | 653,334 | 1,927,402 | 2,580,736 |

The Company issued shares to key employees as part of their base package as well as on a performance basis for achieving net revenue, profitability, or cash milestones in the 2020 financial year. The shares issued were as follows:

## Note 33. Share-based payments (continued)

| Actual issue date | Issue price | Base package Number of shares issued | Performance Number of shares issued | Total Number of shares issued |
|---|---|---|---|---|
| 15/07/2019 | $0.3250 | 68,120 | 259,980 | 328,100 |
| 15/08/2019 | $0.3950 | 291,798 | 164,305 | 456,103 |
| 16/09/2019 | $0.4150 | 203,446 | 198,317 | 401,763 |
| 11/10/2019 | $0.4060 | - | 98,147 | 98,147 |
| 15/11/2019 | $0.3546 | 291,893 | 106,132 | 398,025 |
| 16/12/2019 | $0.3000 | 267,894 | 137,169 | 405,063 |
| 18/12/2019 | $0.3000 | 97,680 | - | 97,680 |
| 15/01/2020 | $0.3484 | 23,431 | 137,933 | 161,364 |
| 17/02/2020 | $0.2947 | 140,079 | 110,592 | 250,671 |
| 20/04/2020 | $0.0720 | 415,858 | 247,529 | 663,387 |
| 15/05/2020 | $0.1495 | 683,732 | 124,996 | 808,728 |
| 16/06/2020 | $0.1494 | 330,066 | 129,303 | 459,369 |
| Reversal of prior year accruals | $0.3267 | (319,217) | (543,572) | (862,789) |
| Accrued | $0.1510 | 882,598 | 217,212 | 1,099,810 |
| | | 3,377,378 | 1,388,043 | 4,765,421 |

**Options**

The terms and conditions of each grant of options over ordinary shares are as follows:

| Grant date | Type and vesting condition | Expiry date | Exercise price | Number |
|---|---|---|---|---|
| 01/09/2018 | 2/48 of total Class A Options will vest immediately on 01/09/2018 and 46/48 of the total Class A Options will vest at rate of 1/48 every month until 30/06/2022. | 30/06/2023 | $0.5330 | 1,823,118 |
| 11/02/2020 | 19/48 of total Class A Options will vest immediately on 11/02/2020 and 29/48 of the total Class A Options will vest at rate of 1/48 every month until 30/06/2022. | 30/06/2023 | $0.5330 | 254,365 |
| 11/02/2020 | 7/48 of total Class B Options will vest immediately on 11/02/2020 and 41/48 of the total Class B Options will vest at rate of 1/48 every month until 30/06/2023. | 30/06/2024 | $0.5530 | 1,040,668 |
| 21/10/2020 | 3/48 of total Class C Options will vest immediately on 21/10/2020 and 45/48 of the total Class C Options will vest at rate of 1/48 every month until 30/06/2024. | 30/06/2025 | $0.3000 | 2,091,113 |
| 21/10/2020 | 3/48 of total Class D Options will vest immediately on 21/10/2020 and 45/48 of the total Class D Options will vest at rate of 1/48 every month until 30/06/2024. | 30/06/2025 | $0.3000 | 1,707,212 |

Set out below are summaries of options granted:

2021

| Grant date | Expiry date | Exercise price | Balance at the start of the year | Granted | Exercised | Expired/ forfeited/ other | Balance at the end of the year |
|---|---|---|---|---|---|---|---|
| 01/09/2018 | 30/06/2023 | $0.5330 | 1,936,132 | - | - | (113,014) | 1,823,118 |
| 11/02/2020 | 30/06/2023 | $0.5330 | 254,365 | - | - | - | 254,365 |
| 11/02/2020 | 30/06/2024 | $0.5530 | 1,249,365 | - | - | (208,697) | 1,040,668 |
| 21/10/2020 | 30/06/2025 | $0.3000 | - | 2,723,132 | - | (632,019) | 2,091,113 |
| 21/10/2020 | 30/06/2025 | $0.3000 | - | 2,214,882 | - | (507,670) | 1,707,212 |
| | | | 3,439,862 | 4,938,014 | - | (1,461,400) | 6,916,476 |

## Note 33. Share-based payments (continued)

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Weighted average exercise price | | | $0.5330 | $0.3000 | $0.0000 | $0.3513 | $0.4019 |

2020

| Grant date | Expiry date | Exercise price | Balance at the start of the year | Granted | Exercised | Expired/ forfeited/ other | Balance at the end of the year |
|---|---|---|---|---|---|---|---|
| 18/12/2017 | 31/03/2020 | $0.5530 | 16,334,738 | - | - | (16,334,738) | - |
| 01/09/2018 | 30/06/2023 | $0.5330 | 2,140,465 | - | - | (204,333) | 1,936,132 |
| 11/02/2020 | 30/06/2023 | $0.5330 | - | 254,365 | - | - | 254,365 |
| 11/02/2020 | 30/06/2024 | $0.5530 | - | 1,484,581 | - | (235,216) | 1,249,365 |
| | | | 18,475,203 | 1,738,946 | - | (16,774,287) | 3,439,862 |
| | | | | | | | |
| Weighted average exercise price | | | $0.5507 | $0.5330 | $0.0000 | $0.5525 | $0.5330 |

The weighted average remaining contractual life of options outstanding at the end of the financial year was 3.27 years (2020: 3.36 years).

**Performance options**

During the year ended 30 June 2021, the Company granted 300,000 performance options to the directors, the terms and conditions of each grant of performance options over ordinary shares are as follows:

| Performance option class | Grant date | Vesting condition | Number |
|---|---|---|---|
| Class B | 28/11/2018 | The share price being at or above $0.55 per share at any time on or before the expiry date, 31/12/2021 | 300,000 |
| Class C | 28/11/2018 | The share price being at or above $0.60 per share at any time on or before the expiry date, 31/12/2021 | 300,000 |
| Class D | 28/11/2018 | The share price being at or above $0.65 per share at any time on or before the expiry date, 31/12/2021 | 300,000 |
| Class E | 28/11/2018 | The share price being at or above $0.80 per share at any time on or before the expiry date, 31/12/2021 | 300,000 |
| Class F | 28/11/2018 | The share price being at or above $0.95 per share at any time on or before the expiry date, 31/12/2021 | 300,000 |
| Class G | 28/11/2018 | The share price being at or above $1.10 per share at any time on or before the expiry date, 31/12/2021 | 300,000 |
| Class H | 18/12/2019 | The Company raising capital of $5 million or more, or the share price being at or above $0.50 per share at any time on or before the expiry date, 31/12/2022. | 300,000 |
| Class I | 21/10/2020 | 1/12 of the total options will vest every 3 months until 20/10/2023. | 925,000 |

## Note 33. Share-based payments (continued)

Set out below are summaries of performance options granted:

2021

| Grant date | Expiry date | Exercise price | Balance at the start of the year | Granted | Exercised | Expired/ forfeited/ other | Balance at the end of the year |
|---|---|---|---|---|---|---|---|
| 28/11/2018 | 30/06/2021 | $0.5000 | 1,550,000 | - | - | (1,550,000) | - |
| 28/11/2018 | 31/12/2021 | $0.5500 | 300,000 | - | - | - | 300,000 |
| 28/11/2018 | 31/12/2021 | $0.6000 | 300,000 | - | - | - | 300,000 |
| 28/11/2018 | 31/12/2021 | $0.6500 | 300,000 | - | - | - | 300,000 |
| 28/11/2018 | 31/12/2021 | $0.8000 | 300,000 | - | - | - | 300,000 |
| 28/11/2018 | 31/12/2021 | $0.9500 | 300,000 | - | - | - | 300,000 |
| 28/11/2018 | 31/12/2021 | $1.1000 | 300,000 | - | - | - | 300,000 |
| 18/12/2019 | 31/12/2022 | $0.5000 | 300,000 | - | - | - | 300,000 |
| 21/10/2020 | 30/06/2024 | $0.3000 | - | 1,200,000 | - | (275,000) | 925,000 |
| | | | 3,650,000 | 1,200,000 | - | (1,825,000) | 3,025,000 |

2020

| Grant date | Expiry date | Exercise price | Balance at the start of the year | Granted | Exercised | Expired/ forfeited/ other | Balance at the end of the year |
|---|---|---|---|---|---|---|---|
| 28/11/2018 | 30/06/2021 | $0.5000 | 1,650,000 | - | - | (100,000) | 1,550,000 |
| 28/11/2018 | 31/12/2021 | $0.5500 | 300,000 | - | - | - | 300,000 |
| 28/11/2018 | 31/12/2021 | $0.6000 | 300,000 | - | - | - | 300,000 |
| 28/11/2018 | 31/12/2021 | $0.6500 | 300,000 | - | - | - | 300,000 |
| 28/11/2018 | 31/12/2021 | $0.8000 | 300,000 | - | - | - | 300,000 |
| 28/11/2018 | 31/12/2021 | $0.9500 | 300,000 | - | - | - | 300,000 |
| 28/11/2018 | 31/12/2021 | $1.1000 | 300,000 | - | - | - | 300,000 |
| 18/12/2019 | 31/12/2022 | $0.5000 | - | 300,000 | - | - | 300,000 |
| | | | 3,450,000 | 300,000 | - | (100,000) | 3,650,000 |

Set out below are the performance options exercisable at the end of the financial year:

| Grant date | Expiry date | 2021 Number | 2020 Number |
|---|---|---|---|
| 28/11/2018 | 30/06/2021 | - | 1,350,000 |
| 18/12/2019 | 31/12/2022 | 300,000 | 300,000 |
| 21/10/2020 | 30/06/2024 | 225,000 | - |
| | | 525,000 | 1,650,000 |

The weighted average remaining contractual life of performance options outstanding at the end of the financial year was 2.14 years (2020: 1.37 years).

The options and performance options granted during the year ended 30 June 2021 were valued using the Binomial Model option pricing. Inputs used to determine the fair value at the grant date are as follows:

| Type | Grant date | Expiry date | Share price at grant date | Exercise price | Expected volatility | Dividend yield | Risk-free interest rate | Fair value at grant date |
|---|---|---|---|---|---|---|---|---|
| Class C & D | 01/07/2020 | 30/06/2025 | $0.1450 | $0.30 | 85.00% | - | 0.87% | 0.0649 |
| Class I | 21/10/2020 | 30/06/2024 | $0.1600 | $0.30 | 85.00% | - | 0.87% | 0.0644 |

## Note 33. Share-based payments (continued)

The expected volatility was calculated at the time of issue of performance options by measuring the standard deviation of the Company's share price in the prior year.

**Warrants**

In consideration of the grant of $2,000,000 financing facility, the Company issued 3,616,637 warrants over ordinary shares on 2 February 2019. The Company did not issue any warrants during the year ended 30 June 2021.

**Share-based payment expense recognised**

| | 2021<br>$ | 2020<br>$ |
|---|---|---|
| Shares | 398,773 | 1,036,998 |
| Options and performance options | 324,515 | 419,359 |
| Warrants* | - | - |
| | 723,288 | 1,456,357 |

* At 30 June 2020, the fair value of the warrants was not recognised as a share-based payment expense. Refer to note 18 for the accounting treatment of the warrants.

### *Accounting policy for share-based payments*

Equity-settled share-based compensation benefits are provided to employees.

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

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

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

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

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

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

## Note 34. Events after the reporting period

On 27 July 2021, at an Extraordinary General Meeting shareholders approved the issuance of 34,520,000 shares for the second tranche of the placement, and an additional 5,000,000 shares for the share purchase plan, and subsequently the proceeds of these, totalling $8.25 million, was received by the Company.

On 12 August 2021, Jayride eliminated all outstanding debt facilities with its lenders by making early repayment of principal totalling $2 million plus interest accrued. The early repayment achieved an interest saving of approximately $102,000.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

In the directors' opinion:

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

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

- the attached financial statements and notes give a true and fair view of the Company's financial position as at 30 June 2021 and of its performance for the financial year ended on that date; and

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

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

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

On behalf of the directors

| | |
|---|---|
| Rodney Bishop | Rod Cuthbert |
| Managing Director | Chairman |

29 September 2021
Sydney

**RSM Australia Partners**

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

T +61 (0) 3 9286 8000
F +61 (0) 3 9286 8199

www.rsm.com.au

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

**Opinion**

We have audited the financial report of Jayride Group Limited ("the Company"), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

(i) giving a true and fair view of the Company's financial position as at 30 June 2021 and of its financial performance for the year then ended; and

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

**Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

### 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.

<table>
<tr><th>Going Concern<br>Refer to Note 2 to the financial statements</th><th></th></tr>
<tr><td>In accordance with AASB 101 Presentation of Financial Statements, the directors and management conducted an assessment of the Company's ability to continue as a going concern and concluded it is appropriate to adopt the going concern basis in the preparation of the financial report..<br><br>The Company incurred a loss of $4,488,836 and had net cash outflows from operating activities of $2,069,840 for the year-ended 30 June 2021. In addition, the COVID-19 pandemic has heightened the complexity and uncertainties when forecasting and making estimations over the Company's future performance and therefore increased the risk of potential errors in assessing the ability of the Company to continue as a going concern.<br><br>We identified going concern a Key Audit Matter due to the significant judgments involved in estimating the future cash flows of the entity, and the potential material impact of the results of management's assessment.</td><td>Our audit procedures included, among others:<br>• Reviewing management's cash flow forecasts for a period in excess of 12 months from the end of September 2021 and assessing the reasonableness of the assumptions made. This cash flow forecast included $7.9m (net of transactions costs) related to a capital raise achieved after 30 June 2021;<br>• Reviewing prior cash flow projections against actual performance to date to assess the reasonability of projected cash flows;<br>• Assessing the entity's current position in determining its ability to continue as a going concern; and<br>• Considering the adequacy and accuracy of the related disclosures in the financial statements.</td></tr>
</table>

## Key Audit Matters (Continued)

<table>
<tr><th>Key Audit Matter</th><th>How our audit addressed this matter</th></tr>
<tr><td>Capitalised technology costs<br>Refer to 15 to the financial statements</td><td></td></tr>
<tr><td>As at 30 June 2021, the Company has a total of $2.2m (equivalent to 35% of the Company's total assets) of intangible assets relating to capitalised development costs in respect of the online booking platform.<br><br>For the year ended 30 June 2021 management performed an impairment test over the Capitalised technology costs by calculating the recoverable amount of the Capitalised technology costs and comparing it to its carrying amount.<br><br>The recoverable amount was calculated by the determination of the value in use of the asset, by estimating the future cashflows model of the CGU, to which this asset belong to, for 5 years. Then, a terminal growth rate was calculated, and the estimated cashflows were discounted to their net present value using the Company's weighted average cost of capital (WACC).<br><br>We have identified this balance as key audit matter due to its materiality, and due to significant assumptions and judgements involved in the impairment testing conducted on the carrying value of this asset.</td><td>Our audit procedures included, among others:<br><br>Updating our understanding of management's impairment testing process;<br><br>• Assessing management's determination that Capitalised technology costs should be allocated to a single Cash Generating Unit (CGU);<br><br>• Assessing the overall valuation methodology used in the impairment assessment, including challenging the reasonableness of key estimates and assumptions adopted;<br><br>• Verifying the mathematical accuracy of the cash flow model, and reconciling input data to supporting evidence such as approved budgets, and considering the reasonableness of these budgets;<br><br>• Performing sensitivity analysis on key assumptions and estimates used in the value in use model, to determine the extent of headroom for the CGU; and<br><br>• Reviewing the accuracy and completeness of the disclosures included within the financial statements to ensure compliance with AASB 136 Impairment of Assets.</td></tr>
</table>

**Key Audit Matters (Continued)**

| Key Audit Matter | How our audit addressed this matter |
|---|---|
| ***Revenue Recognition*** <br> ***Refer to Note 5 to the financial statements*** | |
| The Company derives revenue through commissions and fees charged on travel booked by clients. In accordance with AASB 15 *Revenue with contracts with customers* ("AASB 15"), The Company recognises an estimate of cancellations relating to bookings made in the current period and considers this estimate when determining the appropriate revenue to be recognised for each period.<br><br>The estimate of cancellations has historically been based on past experience and historical data.<br><br>Given the current market conditions, historical cancellation data is unlikely to be the only proxy for estimating future cancellations, increasing the risk that revenue (net of cancellations) may be materially misstated.<br><br>Revenue recognition was considered a key audit matter, as it is complex and involves significant management judgements. | Our audit procedures included, among others:<br><br>• Assessing whether the Company's revenue recognition policies are in compliance with AASB 15;<br>• Performing tests of detail over a sample of sales transactions to ensure that revenue has been recognised correctly;<br>• Assessing sales transactions before and after year-end to ensure that revenue is recognised in the correct period; and<br>• Assessing the reasonableness of the estimates and assumptions used by management in calculating the provision for cancellations, particularly with respect to historical data and future cancellation trends. |

**Other Information**

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2021 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.

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

## Auditor's Responsibilities for the Audit of the Financial Report

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

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

## Report on the Remuneration Report

*Opinion on the Remuneration Report*

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2021.
In our opinion, the Remuneration Report of Jayride Group Limited, for the year ended 30 June 2021, 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 AUSTRALIA PARTNERS**

**R J MORILLO MALDONADO**
Partner

Dated: 29 September 2021
Melbourne, Victoria

The shareholder information set out below was applicable as at 24 September 2021.

## Distribution of equitable securities

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

| | Ordinary shares | | Options over ordinary shares | |
|---|---|---|---|---|
| | Number of holders | % of total shares issued | Number of holders | % of total shares issued |
| 1 to 1,000 | 26 | - | - | - |
| 1,001 to 5,000 | 211 | 0.44 | - | - |
| 5,001 to 10,000 | 88 | 0.44 | - | - |
| 10,001 to 100,000 | 181 | 3.89 | 15 | 5.48 |
| 100,001 and over | 133 | 95.23 | 18 | 94.52 |
| | 639 | 100.00 | 33 | 100.00 |
| Holding less than a marketable parcel | 54 | - | - | - |

## Equity security holders

### *Twenty largest quoted equity security holders*

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

| | Ordinary shares | |
|---|---|---|
| | Number held | % of total shares issued |
| UBS NOMINEES PTY LTD | 34,702,987 | 19.67 |
| BNP PARIBAS NOMS PTY LTD (DRP) | 13,312,745 | 7.55 |
| JONATHAN BEARE | 11,071,217 | 6.28 |
| RODNEY BISHOP | 11,000,000 | 6.24 |
| FOLLOW THE SEED AUSTRALIA P/L (FOLLOW THE SEED ILP0000146) | 9,045,007 | 5.13 |
| PROTO INVESTMENT PARTNERS PTY LTD | 6,021,072 | 3.41 |
| HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2 | 5,138,326 | 2.91 |
| MR ZHONGYUAN LIN | 4,874,748 | 2.76 |
| ARTESIAN AFOF PTY LTD (ARTESIAN HOSTPLUS VC 1 ILP) | 4,753,044 | 2.69 |
| NATIONAL NOMINEES LIMITED | 3,571,429 | 2.02 |
| J P MORGAN NOMINEES AUSTRALIA PTY LIMITED | 3,552,381 | 2.01 |
| CS THIRD NOMINEES PTY LIMITED (HSBC CUST NOM AU LTD 13 A/C) | 2,525,000 | 1.43 |
| HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED | 2,177,317 | 1.23 |
| SYD VENTURES INC | 2,171,488 | 1.23 |
| MR HARRY KALLIAKOUDIS | 2,015,000 | 1.14 |
| RAINING ROUBLES PTY LTD (CRIMSON SKIES S/F A/C) | 1,500,000 | 0.85 |
| MR PETER CHARLES MCWILLIAM | 1,362,557 | 0.77 |
| ZANYA NOMINEES PTY LTD (JLS SUPERANNUATION A/C) | 1,359,834 | 0.77 |
| SWEET AS DEVELOPMENTS PTY LTD (SWEETMAN MCNICKLE FAMILY A/C) | 1,340,166 | 0.76 |
| GEOULA PTY LTD (ZAETZ FAMILY A/C) | 1,313,408 | 0.74 |
| | 122,807,726 | 69.59 |

*Unquoted equity securities*

| Class | Number of securities | Number of holders |
|---|---|---|
| Unlisted Warrants expiring 19 March 2022 | 3,616,637 | 1 |
| Class A Employee Options exercisable at $0.533, expiring 30 June 2023 | 1,823,118 | 7 |
| Class A Employee Options exercisable at $0.533, expiring 30 June 2023 | 254,365 | 3 |
| Class B Employee Options exercisable at $0.553 expiring 30 June 2024 | 1,040,668 | 11 |
| Class C Employee Options exercisable at $0.30 expiring 30 June 2025 | 2,091,113 | 9 |
| Class D Employee Options exercisable at $0.30 expiring 30 June 2025 | 1,707,212 | 23 |
| Class B to Class I Dir Performance Options (Aggregated) | 3,025,000 | 5 |

## Substantial holders

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

| | Ordinary shares | |
|---|---|---|
| | Number held | % of total shares issued |
| UBS NOMINEES PTY LTD | 34,702,987 | 19.67 |
| BNP PARIBAS NOMS PTY LTD (DRP) | 13,312,745 | 7.55 |
| ANDREY SHIRBEN | 686,028 | 0.39 |
| YIFAT SHIRBEN | 273,119 | 0.15 |
| FOLLOW THE SEED AUSTRALIA P/L (FOLLOW THE SEED ILP0000146) | 9,045,007 | 5.13 |
| SYD VENTURES INC | 2,171,488 | 1.23 |
| RICH ORIENTAL COMPANY LIMITED | 837,129 | 0.47 |
| | 13,012,771 | 7.37 |
| JONATHAN BEARE | 11,071,217 | 6.28 |
| RODNEY BISHOP | 11,000,000 | 6.24 |

## Voting rights

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

### *Ordinary shares*

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

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

## Securities subject to ASX imposed escrow

There were no equity securities subject to ASX imposed escrow at 24 September 2021.

| PRINCIPLE | RESPONSE |
|---|---|
| **PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT** | |
| **Recommendation 1.1** | |
| A listed entity should have and disclose a board charter setting out: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management. | Complies.<br><br>The Company's Corporate Governance Plan includes a Board Charter, which discloses the specific responsibilities of the Board. The responsibilities delegated to the senior management team are set out in the Board Charter.<br><br>The Board Charter can be viewed on the Company's website www.jayride.com. |
| **Recommendation 1.2** | |
| A listed entity should: (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director. | Complies.<br><br>The Company conducts background and reference checks for all Directors.<br><br>These checks include the required checks described in ASX Guidance Note 1 before appointing an additional person, or putting forward to Shareholders a candidate for election, as a Director. |
| **Recommendation 1.3** | |
| A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment. | Complies.<br><br>All Directors have written agreements setting out the terms of their appointment. |
| **Recommendation 1.4** | |
| The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board. | Complies.<br><br>A Company Secretary has been appointed and is accountable directly to the Board on all matters to do with the proper functioning of the Board. |

### Recommendation 1.5

A listed entity should: (a) have and disclose a diversity policy; (b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and (c) disclose in relation to each reporting period: (1) the measurable objectives set for that period to achieve gender diversity; (2) the entity's progress towards achieving those objectives; and (3) either: (A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or (B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.

Partially complies.

The Board has established a Diversity Policy. The Diversity Policy can be viewed on the Company's website www.jayride.com.

Whilst the Company does have a Diversity Policy and does promote gender diversity within the workplace, the Company has not reported gender or other diversity metrics in the FY21 Annual Report. The Company will consider providing this disclosure in future Annual Reports.

The Company has a gender-diverse Board, and gender- diversity at various levels of management. However, the Company has not reported diversity metrics in the FY21 Annual Report. The Company will consider providing this disclosure in future Annual Reports

### Recommendation 1.6

A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.

Partially complies

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

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

### Recommendation 1.7

A listed entity should:

(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and

(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.

Partially complies.

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

The Company has established a process for an internal review however the details of this internal review are not disclosed in the FY21 Annual Report. The Company will consider making this disclosure with further detail in future Annual Reports.

## PRINCIPLE 2: STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE

### Recommendation 2.1

| | |
|---|---|
| The board of a listed entity should: (a) have a nomination committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively | Complies.<br><br>The Board has established a Remuneration and Nomination Committee.<br><br>Rod Cuthbert [director], Tzipi Avioz [director] and Rod Bishop are members of this Committee.<br><br>Rod Cuthbert [director], the non-executive Chairman of the Company, chairs the committee.<br><br>Rod Cuthbert [director] and Tzipi Avioz [director] are considered to be independent directors, and accordingly, a majority of this committee's members are independent. |

### Recommendation 2.2

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

### Recommendation 2.3

| | |
|---|---|
| A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position or relationship of Box 2.3 of the ASX Corporate Governance Principles and Recommendations (4th edition), but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director. | Complies.<br><br>The independence of directors and the length of service of each director will be set out in the Company's Annual report (pages 6 to 8 of FY21 Annual Report).<br><br>Details of any relevant interest, position, association or relationship impacting upon a director's independence will be set out in the Company's Annual Report (pages 6 to 8 of FY21 Annual Report). |

### Recommendation 2.4

| | |
|---|---|
| A majority of the board of a listed entity should be independent directors. | Complies |

### Recommendation 2.5

| | |
|---|---|
| The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity. | Complies<br><br>The Chair of the Board is an independent director, who is not the CEO of the entity. |

### Recommendation 2.6

| | |
|---|---|
| A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively. | Partially complies.<br><br>Currently, the induction of new directors and plan for professional development is managed informally by the Remuneration and Nomination Committee.<br><br>The Board intends to develop a formal program for inducting new directors and providing appropriate professional development opportunities. |

## PRINCIPLE 3: INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY

### Recommendation 3.1

| | |
|---|---|
| A listed entity should articulate and disclose its values. | Partially complies<br><br>The Company articulates its values and all team members are introduced to these values in their onboarding and guided by the values in their work.<br><br>The company intends to disclose these values to investors in the future. |

### Recommendation 3.2

| | |
|---|---|
| The entity should have and disclose a code of conduct for its directors, senior executives and employees; and ensure that the board or a committee of the board is informed of any material breaches of that code. | Complies.<br><br>The Board has established a Code of Conduct to guide compliance with legal, ethical and other obligations to legitimate stakeholders and the responsibility and accountability required of Jayride's personnel for reporting and investigating unethical practices or circumstances where there are beaches of the Code.<br><br>The Code of Conduct can be viewed on the Company's website. |

### Recommendation 3.3

A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.

Complies

The Board has established a whistleblower policy, function, and defined roles to ensure that the board is informed and any material incidents are reported.

The Whistleblower policy can be viewed on the Company's website.

### Recommendation 3.4

A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and (b) ensure that the board or a committee of the board is informed of any material breaches of that policy.

Does not yet comply.

The Board intends to develop an anti-bribery and corruption policy to ensure that the board is informed of any material breaches of that policy.

## PRINCIPLE 4: Safeguard the integrity of corporate reports

### Recommendation 4.1

The board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.

Partially complies.

The board has an Audit and Risk Committee which has three members, the majority of whom are independent directors, chaired by an independent director who is not the chair of the board.

The Board has a disclosed charter for the committee which can be viewed on the Company's website and confirms that the members of the committee have the relevant qualifications and experience. In addition the CFO is a member of the Audit and Risk Committee in an ex-officio capacity.

In each reporting period, the Company discloses the number of times the Committee has met through the period and the individual attendance of the members at those meetings in the Annual Report (page 9 of FY21 Annual Report).

Sam Saxton, Yifat Shirben, and Rod Bishop are members of this Committee. Sam Saxton, a non-executive director, is the Chairman of the Committee.

### Recommendation 4.2

The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

Complies.

The Board requires the Managing Director (in lieu of a Chief Executive Officer) and the Chief Financial Officer to provide such a statement before approving the entity's financial statements for a financial period.

The Board had received this assurance from the Managing Director and Chief Financial Officer prior to lodgement of this Annual Report.

### Recommendation 4.3

A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.

Complies.

The Company will take reasonable steps to ensure that the external auditor will attend the AGM and is available to answer questions from shareholders relevant to the audit.

## PRINCIPLE 5: MAKE TIMELY AND BALANCED DISCLOSURE

### Recommendation 5.1

A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.

Complies.

The Company has a written policy on information disclosure. The focus of these policies and procedures is continuous disclosure and improving access to information for investors.

Details of the entity's continuous disclosure policy can be viewed on the Company's website.

### Recommendation 5.2

A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.

Complies.

The Company informs the board of all upcoming material market announcements before release and gives copies to the board promptly after they have been made and in the board working papers.

### Recommendation 5.3

A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.

Complies.

The Company's investor and analyst presentation material are released to the ASX Market Announcement Platform ahead of their presentation.

## PRINCIPLE 6: Respect the rights of security holders

### Recommendation 6.1

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

Complies.

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

Details can be found at the Company's website.

### Recommendation 6.2

A listed entity should have an investor relations program that facilitates effective two-way communication with investors.

Complies.

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

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

### Recommendation 6.3

A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.

Complies.

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

### Recommendation 6.4

A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.

Complies.

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

### Recommendation 6.5

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

Complies.

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

## PRINCIPLE 7: RECOGNISE AND MANAGE RISK

### Recommendation 7.1

The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.

Complies.

The board has an Audit and Risk committee which has three members, the majority of whom are independent directors, chaired by an independent director who is not the chair of the board.

The Board has a disclosed charter for the committee which can be viewed on the Company's website, and discloses the members of the committee.

In each reporting period the Company discloses the number of times the Committee has met through the period and the individual attendance of the members at those meetings in the Annual Report (pages 9 of FY21 Annual Report).

Sam Saxton, Yifat Shirben, and Rod Bishop are members of this Committee. Sam Saxton, a non-executive director, is the Chairman of the Committee.

### Recommendation 7.2

The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and (b) disclose, in relation to each reporting period, whether such a review has taken place.

Complies.

The Audit and Risk Committee and leadership team have a risk management framework including a risk register which is considered by the board in each board meeting, allowing the board to satisfy itself that the Company continues to operate with due regard to the risk appetite of the board.

The Audit and Risk Commitee and the board review the risk framework as a part of their regular meetings.

### Recommendation 7.3

A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes

Complies.

The Board has established an Audit and Risk Committee. The conduct of an internal audit is . within its remit. The company does not have an internal audit function separate from the Audit and Risk Committee due to the scale and complexity of operations. The details of the Committee's operation is disclosed in the Audit and Risk Committee Charter available on the Company's website.

### Recommendation 7.4

| | |
|---|---|
| A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks. | Partially complies.<br><br>The Board has established an Audit and Risk Committee. Consideration of these risks is within the remit of the Audit and Risk Committee, however no such review was undertaken in FY21. The Company will disclose in future Annual Reports the details of any such review that is conducted by the Committee. |

## PRINCIPLE 8: REMUNERATE FAIRLY AND RESPONSIBLY

### Recommendation 8.1

| | |
|---|---|
| The board of a listed entity should: (a) have a remuneration committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings;or (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive. | Complies.<br><br>The board has a Remuneration and Nomination Commitee which has three members, the majority of whom are independent directors, and is chaired by an independent director.<br><br>The Board has a disclosed charter for the committee which can be viewed on the Company's website, and discloses the members of the committee.<br><br>In each reporting period the Company discloses the number of times the Committee has met through the period and the individual attendance of the members at those meetings in the Annual Report (page 9 of FY21 Annual Report).<br><br>Rod Cuthbert, Tzipi Avioz, and Rod Bishop are members of this Committee. Rod Cuthbert, a non-executive director, is the Chairman of the Committee. |

### Recommendation 8.2

A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.

Partially Complies.

The Company distinguishes the structure of Non-Executive Directors' remuneration from that of Executive Directors and senior executives.

Details of the remuneration of directors are out in the Company's Annual Report (pages 11 to 17 of FY21 Annual report).

The Remuneration and Nomination Committee conducts reviews of directors' remuneration in line with the remuneration policy of the Company.

The Remuneration and Nomination Committee intends to enhance the company's disclosure on policies and practices regarding equity and performance based remuneration in coming periods.

### Recommendation 8.3

A listed entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.

Complies.

The Company's Share Trading Policy, amongst other provisions, prohibits executive staff from undertaking hedging or other strategies that could limit the economic risk associated with Company Securities issued under any equity-based remuneration scheme.

The Share Trading Policy can be viewed on the Company's website.

Jayride Group Limited

(ASX:JAY) ABN 49 155 285 528

Suite 1101, Level 11
55 Clarence Street
Sydney NSW 2000 Australia

corporate@jayride.com

http://www.jayride.com