

ASX Announcement

19th April 2024

Cleansing Notice and Excluded Information

Jayride Group Limited (ASX:JAY) (**Jayride** or the **Company**) provides the following cleansing notice under section 708A(12C)(e) of the *Corporations Act 2001* (Cth) (**Corporations Act**) (as notionally inserted by *ASIC Corporations (Sale Offers: Securities Issued on Conversion of Convertible Notes) Instrument 2016/82*) (the **Cleansing Notice**).

The Company advises that it will today issue 1,300,017 Convertible Notes. These Convertible Notes will be issued without disclosure to investors under Part 6D.2 of the Corporations Act.

The purpose of this Cleansing Notice is to enable the shares that may be issued on any future conversion of the convertible notes to be on-sold to retail investors without further disclosure.

This Cleansing Notice is an important document and should be read in its entirety. Neither ASIC nor ASX takes any responsibility for the contents of this Cleansing Notice.

Background

The Company announced on 5 February 2024 that it was undertaking a \$1.5 million capital raising by way of issue of 2,000,000 Convertible Notes (the **Notes**). The Notes will be issued pursuant to a Convertible Note Trust Deed (the **Agreement**). A summary of the terms of the Notes as governed by the Agreement is set out below.

The issue of the Notes is being conducted in two tranches having regard to the placement capacity available to the Company under ASX Listing Rule 7.1 and other ASX Listing Rule requirements, as follows:

- Tranche 1: Raising \$0.525 million by issue of 699,983 Convertible Notes from parties unrelated to the Company (the **Tranche 1 Convertible Notes**);
- Tranche 2: Raising \$0.975 million by issue of 1,300,017 Convertible Notes including \$0.18 million from the directors and \$0.795 million from parties unrelated to the Company (the **Tranche 2 Convertible Notes**);

The tranching of the Convertible Notes issuance was due to a requirement for shareholder approval to be sought for the issuance of the Tranche 2 Convertible Notes. This was received at an extraordinary general meeting held on 8 April 2024.

This Cleansing Notice relates only to the Tranche 2 Convertible Notes which are being issued today. An earlier cleansing notice was issued in respect of the Tranche 1 Convertible Notes in February 2024.

The Notes also provide for 30,000,000 Options to be issued pro-rata to the Noteholders (the **Attaching Options**). The issue of these Attaching Options was also subject to shareholder approval, which was received on 8 April 2024. The Attaching Options are intended to be quoted Options (subject to meeting ASX quotation conditions). In the event that the conditions for quotation are met, the Attaching Options will be issued as quoted options. In the event that the conditions for quotation are not met, the Attaching Options will be issued as unquoted options. The Company will consider later applying for quotation of the Attaching Options should quotation conditions be later met.

The Directors consider the issue of the Notes to be in the best interests of shareholders. The Company opted to raise capital by way of Notes having regard to the timing in which the funding was required, general market conditions, and the Company's financial position. The Company is pleased to note a number of existing shareholders also participated in the Notes, in

addition to directors Rod Cuthbert, and Rod Bishop.

Contents of this Cleansing Notice

This Cleansing Notice sets out the following:

- a) the effect of the issue of the Tranche 2 Convertible Notes on the Company;
- b) a summary of the rights and liabilities attaching to the Notes;
- c) a summary of the rights and liabilities attaching to the fully paid ordinary shares (**Shares**) that will be issued on the conversion of the Tranche 2 Convertible Notes should such occur; and
- a) any information that:
 - a. has been excluded from the Company's continuous disclosure notices in accordance with the ASX Listing Rules; and
 - b. is information that investors and their professional advisors would reasonably require for the purpose of making an informed assessment of:
 - i. the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
 - ii. the rights and liabilities attaching to the Shares; and
 - iii. other information relating to the Company's status as a disclosing entity.

Effect of the issue on the Company

Effect of the issue on the Company

The principal effect of the issue of the Tranche 2 Convertible Notes on the Company will be to:

- a) increase the Company's cash reserves by \$975,000 representing the aggregate subscription price for the Tranche 2 Convertible Notes;
- b) increase the number of Tranche 2 Convertible Notes on issue from nil to 1,300,017;
- c) give rise to the Company having a secured liability for the aggregate amount of the face value of the Tranche 2 Convertible Notes, being \$1,300,017;
- d) if the Tranche 2 Convertible Notes are converted, either wholly or in part to Shares, increase the number of Shares on issue as a consequence of the issue of Shares on such conversion.

The issue of the Attaching Options is not included here. The issue of the Attaching Options were approved by shareholders on 8 April 2024. As the Attaching Options are intended to be quoted, the Company will issue an Options Prospectus in the coming weeks as well as apply for quotation of those securities (subject to otherwise meeting the quotation conditions set out by ASX). If the quotation conditions are not met, the Company will look to issue the Attaching Options as unquoted options and will consider applying for quotation at a later date.

Pro-forma consolidated statement of financial position

Set out in the Annexure to this Cleansing Notice is a pro forma consolidated Statement of Financial Position as at 19 April 2024 for the Company based on the audit reviewed 30 December 2023 financial statements adjusted to reflect the Convertible Notes issuance and has been prepared on the basis of the accounting policies normally adopted by the Company.

The pro forma financial information is presented in an abbreviated form in so far as it does not include all of the disclosures required by the International Accounting Standards applicable to the Company's annual financial statements. The pro forma financial information is not audited.

The classification of the allocations between debt and equity for the Notes may change in the future.

Potential effect on capital structure

The capital structure of the Company as at the date of this Cleansing Notice, before the issue of the Tranche 2 Convertible Notes is set out below:

Type of Security	Number on Issue
Shares	234,409,118
Unlisted Options (various exercise prices ranging from \$0.1551 to \$0.553)	13,393,691
Tranche 1 Convertible Notes	699,983

The tables below show the potential effect of the issue of the Tranche 2 Convertible Notes, and the potential effect of the conversion of the Tranche 2 Convertible Notes as at the date of this Cleansing Notice.

Maximum Effect of Issue of Tranche 2 Convertible Notes

	Shares	% of Shares	Options	Notes
Existing Securities on Issue	236,309,118	100%	13,393,691	699,983
Issue of Notes	-	-	-	1,300,017
Total	262,309,458		13,393,691	2,000,000

Maximum Effect of Conversion of Tranche 2 Convertible Notes at \$0.05, being the ceiling price

	Shares	% of Shares	Options	Notes
Existing Securities on Issue	236,309,118	90.09%	13,393,691	2,000,000
Conversion of Notes	26,000,340	9.91%	-	-1,300,017
Total	262,309,458	100.00%	13,393,691	699,983

Maximum Effect of Conversion of Tranche 2 Convertible Notes at \$0.011, being an indicative conversion price should the Notes be converted immediately upon issue

	Shares	% of Shares	Options	Notes
Existing Securities on Issue	236,309,118	66.66%	13,393,691	2,000,000
Conversion of	118,183,364	33.34%	-	-1,300,017

Notes				
Total	354,492,482	100.00%	13,393,691	699,983

These tables assume that the Company does not redeem any of the Tranche 2 Convertible Notes prior to their conversion, and does not account for any rounding in the event that some of the Tranche 2 Convertible Notes but not all of the Tranche 2 Convertible Notes are converted. These tables also only assume the conversion of the Tranche 2 Convertible Notes, not the Tranche 1 Convertible Notes.

As at the date of this Notice, two Noteholders receiving Tranche 2 Convertible Notes have lodged a substantial shareholder notice to the Company – Thorney Technologies Ltd (and its associates) and Mr Rodney Bishop (and his associates). The issue of the Tranche 2 Convertible Notes will not affect their voting power in Jayride as the Tranche 2 Convertible Notes do not confer voting rights. In the event of conversion of the Tranche 2 Convertible Notes held by each of Mr Bishop and Thorney, their respective voting powers may change. However, the Company notes that the Convertible Notes restrict Noteholders from converting their Notes where doing so would result a contravention of section 606 of the Corporations Act 2001 (Cth) unless an exception in section 611 applies to that transaction.

Granting of Waiver by ASX

ASX Listing Rule 10.1 prohibits, without shareholder approval, the disposal of a substantial asset to (relevantly) a related party such as a director or a person who holds more than 10% of the issued capital of the Company. ASX considers the granting of a security interest as being a disposal for this purpose.

In the cleansing notice for the Tranche 1 Convertible Notes, the Company provided commentary on the granting of a waiver by ASX in relation to ASX Listing Rule 10.1. Further information on that waiver is set out in that cleansing notice. The Company refers to that disclosure and notes, by way of update, that shareholders have since approved the issuance of the Notes to directors Rod Cuthbert and Rod Bishop on 8 April 2024.

Rights and liabilities attaching to the Notes

The following is a broad summary of the rights, privileges, and restrictions attached to the Notes.

The summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of the Noteholders.

Amount Raised	\$1,500,000
Note Face Value on Issue (in aggregate)	\$2,000,000 (including a \$500,000 component of capitalised year one interest at 33.3% per annum)
Conversion Price	Convertible at a 20% discount to the five day VWAP prior to conversion subject to a conversion price ceiling of \$0.05 and a floor of \$0.02. In the event the ten day VWAP of Jayride is below \$0.02, noteholders may, after that point, convert the note at a 20% discount to the five day VWAP irrespective of the floor price.
Conversion	Noteholder may convert at any time at their election. Any Notes not converted at Maturity will be redeemed.
Maturity	24 months from Note issue

Redemption	The Company may redeem the Notes (repay the Notes in cash) at any time with no penalty.
Interest	In the first year, interest is prepaid by way of a capitalisation into the Note Face Value (\$500,000, being 33.33% per annum) If the Notes remain outstanding after 12 months, interest will become payable at 15% per annum accrued daily and paid monthly in cash on the outstanding Notes Face Value
Security	First ranking security interest in all present and after acquired property of the Company, held for the benefit of the Noteholders by Corporate Mining Pty Ltd, being the Security Trustee. Notwithstanding this security interest, the Company may, from time to time, secure financing against accounts receivable, in which case this security is subordinate to that security interest to which the Security Trustee must consent (acting reasonably).
Attaching Options	30,000,000 Options each exercisable at \$0.05 per Option expiring 31 December 2027 issued pro-rata to the Noteholders, and subject to ASX approval and meeting of any quotation conditions, will be quoted on ASX. These Attaching Options will be issued at a later date following shareholder approval on 8 April 2024.
Shareholder Approval for the Issue of the Notes	Shareholder approval for the issue of the Tranche 2 Convertible Notes was received on 8 April 2024.
Takeover limit	Notwithstanding any term of the Notes, a Noteholder may not convert their Note where doing so would result a contravention of section 606 of the <i>Corporations Act 2001</i> (Cth) unless an exception in section 611 applies to that transaction.
Restriction on 10.1 Noteholders	Notwithstanding anything else in the terms of the Convertible Notes, the following additional terms apply: <ul style="list-style-type: none"> • in respect of a 10.1 Noteholder, the security is limited to the funds due under the financial accommodation; • in respect of a 10.1 Noteholder the security will be discharged when the funds due under the financial accommodation have been repaid in full; • in the event the security is enforced, the assets can only be disposed of to the 10.1 Noteholder or an associate of the 10.1 Noteholder if the disposal is first approved by the Company's shareholders under Listing Rule 10.1; and • otherwise, if the holder of the security exercises, or appoints a receiver, receiver and manager or analogous person to exercise, any power of sale under the security, the assets must be sold to an unrelated third party on arm's length commercial terms and the net proceeds of sale distributed to the 10.1 Noteholder in

	<p>accordance with their legal entitlements;</p> <p>where: 10.1 Noteholder means any party described by ASX Listing Rule 10.1 including Thorney Technologies Ltd (and its associates, together Thorney), Mr Rodney Bishop, and Mr Rodney Cuthbert.</p>
Voting Rights	The Notes do not confer any voting rights. Shares issued on conversion of the Notes rank pari passu with existing Shares.
Quotation	The Notes will not be quoted on ASX.
Events of Default	<p>The Agreement includes events of default which the Company considers to be broadly on terms customary for securities of this nature, including in summary:</p> <ul style="list-style-type: none"> (a) failing to pay any amount owed to the Noteholders which is unremedied; (b) a material breach of the Agreements which is unremedied; (c) a winding up or insolvency event in the Company; (d) a statutory demand being served on the Company or the Company is taken to have failed to comply with a statutory demand; (e) a compromise or arrangement with creditors except for the purpose of a reconstruction, amalgamation, merger, or consolidation on terms approved by the Security Trustee; (f) suspension of trading in the Company's shares for more than 5 consecutive trading days (without the consent of the Security Trustee), or removal from the Official List of the ASX; (g) a material change in the Company's constitution which is has not been consented to by the Security Trustee (not to be unreasonably withheld); (h) the security losing its first ranking status (except as permitted in relation to accounts receivable); (i) inability to perform the obligations of the Agreement. <p>In the event of an unremedied default by the Company the Noteholders may be able to take action against the Company to protect their interests.</p>
Representations and Warranties, and covenants	The Company has provided the Noteholder with customary representations and warranties, as well as customary negative covenants.

Rights and liabilities attaching to the Shares

The Shares issued to the Noteholders on the conversion of the Notes will rank equally in all respects with all of the Company's existing Shares.

The Company is domiciled in Australia. The rights attaching to Shares, including new Shares to be issued to the Noteholders on conversion of the Notes are set out in the Company's constitution, and regulated by Australian Law, the ASX Listing Rules, and the general law.

A summary of the rights attaching to Shares in the Company is below. This summary is

qualified by the full terms of the Constitution (a full copy of the Constitution is available from the Company on request free of charge) and does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of shareholders. These rights and liabilities can involve complex questions of law arising from an interaction of the Constitution with statutory and common law requirements.

For a shareholder to obtain a definitive assessment of the rights and liabilities which attach to Shares in any specific circumstances, the shareholder should seek legal advice.

Shares

There is only one ordinary class of Company Shares. Detailed provisions relating to the rights attaching to Shares are set out in the Constitution and the Corporations Act. The Company has adopted a constitution of the kind usually adopted by a public company listed on the ASX. The following is a broad summary of the key provisions in the Constitution and the rights attaching to Shares

General meetings

Each Shareholder is entitled to receive notice of and be present, to vote and speak at general meetings of the Company.

Voting rights

At a general meeting, every Shareholder present (in person or by proxy, attorney or representative) has one vote on a show of hands. Every Shareholder present (in person or by proxy, attorney or representative) has one vote per fully paid Share on a poll, except in respect of each partly paid Share held by a Shareholder, where the Shareholder has a fraction of a vote for each partly paid Share they hold. This is subject to any other rights or restrictions attached to any Shares.

Dividend rights

Subject to any special rights or restrictions attached to a Share, each holder of a fully paid Share will participate in all dividends declared after their issue and rank equally with all existing Shares. Dividends are declared by the Directors at their discretion and, subject to any special rights, are payable on all Shares in proportion to the amount of capital for the time being paid up or credited as paid up on those Shares.

Rights on winding up

Subject to any special rights and restrictions attached to Shares, on a winding up any surplus must be divided among the Shareholders in the proportion that the amount paid up on the Shares bears to the total amount paid up on all Shares on issue. Subject to any special rights and restrictions attached to Shares, on a winding up, a liquidator of the Company may, with the sanction of a special resolution of Shareholders, divide among Shareholders the whole or any part of the property of the Company and may decide how to distribute the property as between the Shareholders.

Transfer of shares

Subject to the Constitution, the Corporations Act and the ASX Listing Rules, generally, Shares are freely transferable.

Future changes in capital

Subject to the ASX Listing Rules and the Constitution, the Directors may issue, grant options over, or otherwise dispose of Shares on such conditions, at such times and with the preferred, deferred or other special rights or restrictions as the Directors think fit. Subject to the Corporations Act and the ASX Listing Rules, the Company may by resolution, consolidate and divide its share capital or reduce its share capital and buy back its Shares.

Variation of rights

The Company may only vary or cancel the rights attaching to any class of shares, or convert shares from one class to another, by a special resolution of the Company and a special resolution passed at a meeting of the holders of shares in that class or the written consent of Shareholders with at least 75% of the votes in that class.

Marketable parcels

Subject to certain conditions, the Company may sell non-marketable parcels of Shares on issue as agent for the holders of those parcels. Shareholders will be provided notice enabling the Shareholder to elect not to have their Shares sold. In the event the Shareholder does not elect to retain their Shares the Shares may be sold and the proceeds held in trust on behalf of the Shareholder.

Compliance with disclosure obligations

The Company is a “disclosing entity” under the Corporations Act and, as such, is subject to regular reporting and disclosure obligations under both the Corporations Act and the ASX Listing Rules. Broadly, these obligations require:

- a) the Company to notify ASX immediately of any information (subject to certain exceptions) of which it is or becomes aware which a reasonable person would expect to have a material effect on the price value of its securities. That information is available to the public from ASX; and
- b) the preparation of yearly and half-yearly financial statements and a report of the Company’s operations during the relevant account period, together with an audit or review report prepared by the Company’s auditor. These documents are lodged with ASIC and ASX.

Copies of documents lodged by the Company in connection with its reporting and disclosure obligations may be obtained from, or inspected at, an office of ASIC. Copies of all documents announced to the ASX can be found at www.asx.com.au or the Company’s website at jayride.com

The Company will provide free of charge to any person who requests it during normal business hours:

- a) the Annual Report for the financial year ended 30 June 2023 lodged with ASX on 31 August 2023 (**Annual Report**);
- b) the Half Yearly Report for the half year ended 31 December 2023;
- c) the continuous disclosure notices given by the Company to notify ASX of information relating to the Company during the period from the date of lodgement of the Annual Report lodged with ASX on 31 August 2023 until the date of this cleansing notice:

Date	Announcement
31/8/2023	Managing Director Transition and CEO Recruitment
31/8/2023	FY23 Results Presentation
31/8/2023	FY23 Corporate Governance Statement and Appendix 4G
31/8/2023	FY23 Annual Report and Appendix 4E
4/9/2023	FY23 Results Call Transcript

22/9/2023	Trading Halt
22/9/2023	Director Resignation
26/9/2023	Suspension from Quotation
28/9/2023	Timetable for Placement and Entitlement Offer
28/9/2023	Reinstatement to Quotation
28/9/2023	Cleansing Notice for Entitlement Offer
28/9/2023	Proposed issue of securities - JAY
28/9/2023	Placement and Entitlement Offer
5/10/2023	Application for quotation of securities - JAY
9/10/2023	Entitlement Offer Opens
9/10/2023	Cleansing Statement
11/10/2023	Q1 FY24 Market Update - Record Trips Booked
18/10/2023	Response to ASX Query Letter
19/10/2023	Notice of Annual General Meeting/Proxy Form
20/10/2023	Entitlement Offer Closing Monday
24/10/2023	Quarterly Conference Call Details
30/10/2023	\$2 million raised in Placement and Entitlement Offer
30/10/2023	Application for quotation of securities - JAY
31/10/2023	Quarterly Business Review and Appendix 4C
31/10/2023	Application for quotation of securities - JAY
2/11/2023	Change in substantial holding
3/11/2023	Quarterly Business Review Call Transcript
3/11/2023	Director Interest Notices
23/11/2023	Results of Meeting
23/11/2023	Chairmans Address & Strategic Review
27/11/2023	Final Director's Interest Notice
28/11/2023	Managing Director Transition Update

15/1/2024	Q2 FY24 Market Update
31/1/2024	Quarterly Business Review and Appendix 4C
31/1/2024	Updated FY23 CGS and Appendix 4G
1/2/2024	Trading Halt
5/2/2024	Proposed issue of securities - JAY
5/2/2024	Jayride raises \$1.5 million
5/2/2024	Proposed issue of securities - JAY
19/2/2024	Notification regarding unquoted securities - JAY
19/2/2024	Cleansing Notice & ASX Waiver Grant & Excluded Information
22/2/2024	Application for quotation of securities - JAY
29/2/2024	Half Yearly Report and Accounts
4/3/2024	Ceasing to be a substantial holder
4/3/2024	Strategic Review Outcomes Investor Presentation
5/3/2024	Director Interest Notice
7/3/2024	Notice of Extraordinary General Meeting
8/4/2024	Results of Meeting

Information excluded from continuous disclosure notices

The Company notes the following:

- The Company expects to release its quarterly results on or around 30 April 2024, although at this stage, information is still being compiled following the quarter's close. As at the date of this release, such information remains incomplete and does not warrant disclosure.
- Jayride continues early-stage confidential discussions regarding a potential merger, acquisition, or other similar transaction, as originally indicated in November 2023. Given the nature of these discussions, the Company is unable to provide complete and fulsome disclosure to investors as to any potential transaction at this time.

As at the date of this Cleansing Notice, other than as set out in this Cleansing Notice, the Company advises that there is no information that:

- a) the Company has excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
- b) is information that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - a. the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and

- b. the rights and liabilities of the Notes (and the underlying Shares) offered by the Company.

For more information please contact

Sonny Didugu

Company Secretary

Email: corporate@jayride.com

ASX release authorised by the Board of Directors of Jayride Group Limited.

About Jayride Group Limited (ASX:JAY)

Jayride Group is a leading publicly listed online travel marketplace for airport transfers, where travellers compare and book rides around the world. With Jayride, travellers can compare and book with 3,700+ ride service companies, servicing 1,600+ airports in 110+ countries around the world which cover 95% of world airport trips, including across the Americas, Europe, Middle East, Africa, Asia and the Pacific.

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

Founded in 2012, Jayride Group is a global company incorporated in Australia and listed on the Australian Securities Exchange (ASX:JAY).

For more information, please visit www.jayride.com

Annexure: Pro-forma consolidated statement of financial position

Reflecting the issue of the Convertible Notes based on the last audited reviewed balance sheet of 31 December 2023

Statement of Financial Position

	31 December 2023	Tranche 1	Tranche 2	Combined Costs	Adjusted Position
Assets					
<u>Current assets</u>					
Cash and cash equivalents	1,213,922	525,000	975,000	-90,000	2,623,922
Trade and other receivables	1,218,197				1,218,197
Contract Assets	764,023				764,023
Deposits	17,172				17,172
Prepayments	165,790				165,790
Total current assets	3,379,104	525,000	975,000	-90,000	4,789,104
<u>Non-current assets</u>					
Plant and equipment	37,522				37,522
Total non-current assets	37,522	0		0	37,522
Total assets	3,416,626	525,000	975,000	-90,000	4,826,626
<u>Liabilities</u>					
<u>Current liabilities</u>					
Trade and other payables	3,265,190				3,265,190
Contract liabilities	99,049				99,049
Borrowings	428,866				428,866
Employee benefits	322,971				322,971

Future transport payments	1,324,499				1,324,499
Total current liabilities	5,440,575	0	0	0	5,440,575
<u>Non-current liabilities</u>					
Borrowings - convertible notes		700,000	1,300,000		2,000,000
Employee benefits	54,569				54,569
Total non-current liabilities	54,569	700,000	1,300,000	0	2,054,569
Total liabilities	5,495,144	700,000	1,300,000	0	7,495,144
Net assets	-2,078,518	-175,000	-325,000	-90,000	-2,668,518
Equity					
Issued capital	43,847,760				43,847,760
Reserves	1,708,930				1,708,930
Accumulated losses	-47,635,208	-175,000	-325,000	-90,000	-48,225,208
Total equity	-2,078,518	-175,000	-325,000	-90,000	-2,668,518

Notes:

- Costs associated with the Convertible Notes relate to the fee paid to the Lead Manager, GBA Capital, for their services to the Company.
- Classification of the Convertible Notes as debt vs equity will be subject to change as part of future audited financial statements preparation.