

GetSwift Limited (ASX:GSW)

Ms. Belinda Chiu
Senior Adviser, Listings Compliance
ASX
20 Bridge Street
SYDNEY NSW 2000

By Email: belinda.chiu@asx.com.au

13 May 2019

Dear Ms Chiu

GetSwift Limited (**GetSwift** or the **Company**) refers to your letter dated 10 May 2019 and to GetSwift's Appendix 4C for the period ended 31 March 2019 and ASX Release lodged on 26 April 2019 (the **Appendix 4C**).

GetSwift notes that it reported on page 1 and page 2 of the Appendix 4C that the Company ended the quarter ending 31 March 2019 with a strong balance sheet holding substantial liquidity with cash, cash equivalents and bank term deposits of \$74.4 million and no outstanding debt.

We kindly answer your questions below.

1. ASX: Does GSW expect that it will continue to have a negative operating cash flows for the time being and, if not, why not?

GetSwift: Yes. As previously disclosed at page 4 of the Appendix 4C, GetSwift expects to have negative operating cash flows for the quarter ending 30 June 2019.

2. ASX: Has GSW taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

GetSwift: The Company has not taken steps to raise further cash, nor does it have any immediate plans to do so, given it has access to \$74.4 million of cash, cash equivalents, and bank term deposits, as at 31 March 2019. GetSwift notes this information regarding cash, cash equivalents and bank term deposits was provided at pages 1 and 2 of the Appendix 4C.

3. ASX: Does GSW expect to be able to continue its operations and to meet its business objective, and, if so, on what basis?

GetSwift: Yes. GetSwift refers to pages 1 and 2 of the Appendix 4C, in particular references to the Company having a strong balance sheet, holding substantial liquidity with cash, cash equivalents and bank term deposits of \$74.4 million and no outstanding debt, as at 31 March 2019. The Company's term deposits mature on 24 June 2019 as reported in note 9(b) to the consolidated financial statements to 30 June 2018, lodged in the Company's Appendix 4E filing. The term deposits will convert to fully liquid cash upon maturity.

Please also refer to the Financial Assets Section on the condensed consolidated statement of financial position at 31 December 2018 lodged in with Company's Appendix 4D.

4. ASX: GSW has indicated in Section 2.1(b) of the Appendix C that \$6,615,000 was spent in payment to acquire businesses. However, has not appeared to have completed Section 10 of the Appendix 4C. May GSW please provide further details of the acquisitions? Noting that GSW announced the acquisition of a privately held company and software products in North America on 20 February 2019.

GetSwift: On 20 February 2019 GetSwift announced to the ASX two strategic acquisitions in North America (the "Announcement"). The Company acquired North American delivery management platform Delivery BIZ Pro (DBP) from United States based SaaS company Delivery Biz Pro, LLC and the scheduling platform provider Scheduling + (SP) of United States based Web Software, LLC. As part of the transaction, the group acquired 100 percent of the share capital of Marketplace Connect Pty Ltd, incorporated in Australia, a wholly-owned Australian subsidiary of DBP. DBP offers subscription-based cloud delivery management system (DMS) for businesses with recurring product orders. SP combines staff scheduling, task management, time and attendance recordkeeping and payroll into a subscription-based cloud solution.

The Company's consideration for the assets and share capital is comprised of \$6.3 million in cash paid at closing plus \$0.28 million for certain assumed liabilities of DBP which were paid in full by the group on 20 February 2019. This reconciles with the figure indicated in Section 2.1(b) of the Appendix 4C of \$6.615 million subject to rounding.

For more information, please refer to the Announcement and note 6 to the Company's Appendix 4D filed with ASX on 28 February 2019.

5. Please confirm that GSW is complying with Listing Rule 3.1 and that there is no information that should be given to ASX about its Financial Condition under that rule that has not already been released to the market.

GetSwift: The Company is in compliance with the ASX Listing Rules, in particular listing rule 3.1 and there is no information that should be given to ASX about the Company's financial condition under that rule that has not already been released to the market.

6. Please confirm that the responses to the questions have been authorised and approved in accordance with its published continuous disclosure policy and otherwise by its board or an officer of GSW with delegated authority from the board to respond to ASX disclosure matters.

GetSwift: The Company confirms that the responses to these questions have been authorised and approved by Board of Directors.

Yours sincerely



Sophie Karzis
Company Secretary



10 May 2019

Reference: ODIN01628

Sophie Karzis
Company Secretary
GetSwift Limited

By email: sk@counsel.com.au

Dear Ms Karzis

GetSwift Limited ('GSW'): Appendix 4C Query

ASX refers to GSW's Appendix 4C quarterly report for the period ended 31 March 2019 lodged with the ASX Market Announcements Platform and released on 26 April 2019 (the 'Appendix 4C').

ASX notes that GSW has reported:

- negative net operating cash flows for the quarter of \$5,877,000;
- cash at the end of the quarter of \$10,135,000; and
- estimated cash outflows for the next quarter of \$6,975,000.

It is possible to conclude that based on the information in the Appendix 4C, that if GSW were to continue to expend cash at the rate indicated by the Appendix 4C, GSW may not have sufficient cash to continue funding its operations.

Request for Information

In view of that, ASX asks GSW to answer separately each of the following questions and provide the following confirmations in a format suitable for release to the market under Listing Rule 18.7A:

1. Does GSW expect that it will continue to have negative operating cash flows for the time being and, if not, why not?
2. Has GSW taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?
3. Does GSW expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
4. GSW has indicated in section 2.1(b) of the Appendix 4C that \$6,615,000 was spent in payments to acquire businesses. However, has not appeared to have completed section 10 of the Appendix 4C. May GSW please provide further details of the acquisitions? Noting that GSW announced the acquisition of a privately held company and software products in North America on 20 February 2019.
5. Please confirm that GSW is complying with Listing Rule 3.1 and that there is no information that should be given to ASX about its financial condition under that rule that has not already been released to the market.
6. Please confirm that GSW's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of GSW with delegated authority from the board to respond to ASX on disclosure matters.

Please also provide any other information that GSW considers may be relevant to ASX forming an opinion on whether GSW is complying with Listing Rule 12.2 that a listed entity's financial condition must, in ASX's opinion, be adequate to warrant the continued quotation of its securities and its continued listing.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **9:30 AM AEST Monday, 13 May 2019**.

If we do not have your response by then, ASX will have no choice but to consider suspending trading in GSW's securities under Listing Rule 17.3. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, GSW's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market. Your response should be sent to me by e-mail at ListingsComplianceSydney@asx.com.au. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Listing Rule 3.1 and 3.1A

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A. In responding to this letter, you should have regard to GSW's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*. It should be noted that GSW's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in GSW's securities under Listing Rule 17.1. If you wish to request a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Enquiries

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

Kind regards

Belinda Chiu

Senior Adviser, Listings Compliance (Sydney)