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# Jayride Technology Pty Ltd

ABN 49 155 285 528

## Financial Statements

For the Year Ended 30 June 2017

**Jayride Technology Pty Ltd**  
**Directors' Report**  
**30 June 2017**

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**For the Year Ended 30 June 2017**

**Financial Statements**

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**Jayride Technology Pty Ltd**  
**Directors' Report**  
**30 June 2017**

The directors present their report on Jayride Technology Pty Ltd for the financial year ended 30 June 2017.

**Information on directors**

The names of each person who has been a director during the year and to the date of this report are:

- Rod Bishop
- Ross Lin
- Andre Shirben
- Sam Saxton

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

**Principal activities**

The principal operating activity during the financial year was the promotion of land based transport services as an agent for transport suppliers.

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

**Operating results**

The loss of the Company after providing for income tax amounted to \$2,296,595 (2016: \$1,847,739).

Jayride is currently focused on investing in its technological advantage, developing key markets, and improving its unit economics for future economic returns at scale.

**Dividends paid or recommended**

No dividends were paid or declared during the financial year. No recommendation for payment of dividends has been made.

**Significant changes in state of affairs**

There have been no significant changes in the state of affairs of the Company during the year.

**Events after the reporting date**

Other than matters set out in Note 22, no matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

**Shares under option**

Unissued ordinary shares of the company under option at the date of the report are as follows:-

Date Option Granted	Expiry Date	Issue price of Shares	Number under Option
2016	No expiry	2.4484	152,359
2016	No Expiry	2.9034	19,605
2017	No expiry	2.9034	39,568
2017	No expiry	3.7870	9,982

No option holder has the any right under the options to participate in any other share issue of the company or any other entity.

No shares were issued during the year as a result of the exercise of options.

**Environmental issues**

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia

**Indemnification and insurance of officers and auditors**

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**Jayride Technology Pty Ltd**  
**Directors' Report**  
**30 June 2017**

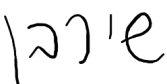
No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the company.

**Auditor's independence declaration**

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2017 has been received and can be found on page 3 of the financial report.

Signed in accordance with a resolution of the Board of Directors:

Director:  .....  
Rod Bishop

Director:  .....  
Andrey Shirben

Dated 23 October 2017

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**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](http://www.rsm.com.au)

**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the audit of the financial report of the Jayride Technology Pty Ltd for the year ended 30 June 2017, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Australian professional accounting bodies*; and
- (ii) any applicable code of professional conduct in relation to the audit.



**RSM AUSTRALIA PARTNERS**



**J S CROALL**  
Partner

Melbourne, Victoria  
Dated: 23 October 2017

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**Statement of Profit or Loss and Other Comprehensive Income**  
**For the Year Ended 30 June 2017**

	Note	2017 \$	2016 \$
Commission income	4	922,812	332,260
Other income	4	187,565	433,880
Product and technology costs		(146,744)	(432,530)
Marketing expenses		(1,329,601)	(731,328)
Enablement expenses		(228,377)	(165,297)
Support expenses		(307,036)	(89,283)
Transport expenses		(347,022)	(267,799)
Administrative expenses		(347,864)	(266,617)
Finance and risk expenses		(423,741)	(190,796)
Share based payment expense		(180,770)	(411,778)
Other expenses		(95,816)	(58,451)
<b>Total comprehensive loss for the year</b>		<u>(2,296,594)</u>	<u>(1,847,739)</u>

**Statement of Financial Position**

30 June 2017

	Note	2017 \$	2016 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	6	767,190	692,037
Trade and other receivables	7	634,883	580,079
<b>TOTAL CURRENT ASSETS</b>		<b>1,402,073</b>	<b>1,272,116</b>
<b>NON-CURRENT ASSETS</b>			
Other financial assets	8	37,530	66,649
Property, plant and equipment	9	65,381	49,885
Intangible assets	10	2,080,461	1,774,942
<b>TOTAL NON-CURRENT ASSETS</b>		<b>2,183,372</b>	<b>1,891,476</b>
<b>TOTAL ASSETS</b>		<b>3,585,445</b>	<b>3,163,592</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	784,925	242,788
Amounts due to suppliers		332,947	212,011
Borrowings	12	424,728	-
Employee benefits	13	88,057	45,294
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,630,657</b>	<b>500,093</b>
<b>NON CURRENT LIABILITIES</b>			
Borrowings	12	1,235,385	-
Employee benefits	13	17,846	14,518
<b>TOTAL NON CURRENT LIABILITIES</b>		<b>1,253,231</b>	<b>14,518</b>
<b>TOTAL LIABILITIES</b>		<b>2,883,888</b>	<b>514,611</b>
<b>NET ASSETS</b>		<b>701,557</b>	<b>2,648,981</b>
<b>EQUITY</b>			
Issued capital	14	5,694,278	5,694,278
Convertible notes – equity component		168,400	-
Reserves	15	592,548	411,778
Accumulated losses		(5,753,669)	(3,457,075)
<b>TOTAL EQUITY</b>		<b>701,557</b>	<b>2,648,981</b>

## Statement of Changes in Equity

For the Year Ended 30 June 2017

	Ordinary Shares	Accumulated losses	Share Payments Reserves	Convertible Notes	Total
	\$	\$	\$	\$	\$
<b>Balance at 1 July 2015</b>	4,194,278	(1,609,336)	-	-	2,584,942
Loss attributable to members of the company	-	(1,847,739)	-	-	(1,847,739)
Shares issued	1,500,000	-	-	-	1,500,000
Share based payment	-	-	411,778	-	411,778
<b>Balance at 30 June 2016</b>	5,694,278	(3,457,075)	411,778	-	2,648,981
Loss attributable to members of the company	-	(2,296,594)	-	-	(2,296,594)
Convertible notes – equity component	-	-	-	168,400	168,400
Share based payment	-	-	180,770	-	180,770
<b>Balance at 30 June 2017</b>	5,694,278	(5,753,669)	592,548	168,400	701,557



**Statement of Cash Flows**  
**For the Year Ended 30 June 2017**

	2017	2016
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from customers	907,631	514,102
Payments to suppliers and employees	(2,549,793)	(2,057,018)
Grants received	268,754	-
Interest received	1,613	18,273
Interest paid	(73,307)	(87)
Foreign exchange gains	2,802	(6,894)
Net cash used in operating activities	21 (1,442,300)	(1,531,624)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Deposit (paid) refunded	29,119	(29,251)
Grant received	216,121	-
Payment for intangible asset	(521,640)	-
Purchase of property, plant and equipment	(29,022)	(69,200)
Net cash used in investing activities	(305,422)	(98,451)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds of share issues	-	1,500,000
Proceeds from borrowings	1,828,514	-
Net cash provided by financing activities	1,828,514	1,500,000
Net increase/(decrease) in cash and cash equivalents held	80,792	(130,075)
Cash and cash equivalents at beginning of year	692,037	822,112
Unrealised foreign exchange movement	(5,639)	-
Cash and cash equivalents at end of financial year	6 767,190	692,037

# Jayride Technology Pty Ltd

## Notes to the Financial Statements

For the Year Ended 30 June 2017

The financial report covers Jayride Technology Pty Ltd as an individual entity. Jayride Technology Pty Ltd is a for profit proprietary Company, incorporated and domiciled in Australia.

The functional and presentation currency of Jayride Technology Pty Ltd is Australian dollars.

The financial report was authorised for issue by the Directors on 23 October 2017.

### 1 Basis of Preparation

This special purpose financial report has been prepared to meet the reporting requirements of the *Corporations Act 2001*.

### 2 Summary of Significant Accounting Policies

#### (a) Income Tax

The tax expense recognised in the statement of profit or loss and other comprehensive income comprises of current income tax expense plus deferred tax expense.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (loss) for the year and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and losses can be utilised.

Current and deferred tax is recognised as income or an expense and included in profit or loss for the period except where the tax arises from a transaction which is recognised in other comprehensive income or equity, in which case the tax is recognised in other comprehensive income or equity respectively.

#### (b) Leases

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

#### (c) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

All revenue is stated net of the amount of goods and services tax (GST).

#### Commissions

Commission income is recognised when a booking is confirmed to the transport provider.

#### Interest Income

Interest revenue is recognised using the effective interest method.

#### Grants

Grant income is recognised when the company gains control of the grant, it is probable that the company will receive the economic benefit of the grant and the amount can be reliably measured.

## Notes to the Financial Statements

For the Year Ended 30 June 2017

### Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

### (d) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

### (e) Property, plant and equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment.

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

#### Depreciation

Property, plant and equipment is depreciated on a diminishing value basis over the assets useful life to the Company, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

The estimated useful lives used for each class of depreciable asset are shown below:

Fixed asset class	Useful life
Furniture, Fixtures and Fittings	4 - 10 years
Computer Equipment	3 - 7 years

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

### (f) Financial instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs.

#### Financial Assets

Financial assets are divided into the following categories which are described in detail below:

- loans and receivables
- financial liabilities
- Impairment of financial assets

All income and expenses relating to financial assets are recognised in the statement of profit or loss and other comprehensive income.

#### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of services to customers but also incorporate other types of contractual monetary assets.

## Notes to the Financial Statements

For the Year Ended 30 June 2017

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss.

The Company's trade and other receivables fall into this category of financial instruments.

Significant receivables are considered for impairment on an individual asset basis when they are past due at the reporting date or when objective evidence is received that a specific counterparty will default.

The amount of the impairment is the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

### *Financial liabilities*

The Company's financial liabilities include borrowings, trade and other payables, which are measured at amortised cost using the effective interest rate method.

### *Impairment of financial assets*

At the end of the reporting period the Company assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

#### **(g) Impairment of non-financial assets**

At the end of each reporting period the Company determines whether there is an evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

#### **(h) Intangibles**

##### **Website and Technology**

Website and Technology is considered to have a finite life and is carried at cost less accumulated impairment losses.

#### **(i) Cash and cash equivalents**

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

#### **(j) Employee benefits**

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cash flows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cash flows. Changes in the measurement of the liability are recognised in profit or loss.

**Notes to the Financial Statements**

For the Year Ended 30 June 2017

**(k) Going concern**

The company incurred a loss of \$2,296,594, has negative working capital of \$228,584 and incurred net operating cash outflows of \$1,442,300 during the year.

The Directors believe that there are reasonable grounds to adopt the going concern basis for preparation of the financial statements due to the following factors:

- The company has received substantial additional cash of \$7,199,815 as a result of a capital raising in August 2017;
- The company converted its convertible loan of \$1,403,785 outstanding at balance date to equity in August 2017;

**(l) Adoption of new and revised accounting standards**

There were no new accounting standards adopted during the year which had a significant impact on the reported position of performance of the company

**(m) New Accounting Standards and Interpretations**

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Company has decided not to early adopt these Standards. The following table summarises those future requirements, and their impact on the Company where the standard is relevant:

Standard Name	Effective date for entity	Requirements	Impact
AASB 9 Financial Instruments and amending standards	30 June 2019	Significant revisions to the classification and measurement of financial assets, reducing the number of categories and simplifying the measurement choices, including the removal of impairment testing of assets measured at fair value. The amortised cost model is available for debt assets meeting both business model and cash flow characteristics tests. All investments in equity instruments using AASB 9 are to be measured at fair value.	Impacts on the reported financial position and performance have not yet been determined
AASB 15 Revenue from contracts with customers.	30 June 2019	AASB 15 introduces a five step process for revenue recognition with the core principle of the new Standard being for entities to recognise revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the entity expects to be entitled in exchange for those goods or services.	It is anticipated that this standard will have minimal impact on the timing of revenue recognition. However the timing of recognition of refunds will be changed.  Additional impacts may be identified as further analysis of the standard is undertaken.

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## Notes to the Financial Statements

For the Year Ended 30 June 2017

Standard Name	Effective date for entity	Requirements	Impact
AASB 16 Leases	1 January 2019	AASB 16 will cause the majority of leases of an entity to be brought onto the statement of financial position. There are limited exceptions relating to short-term leases and low value assets which may remain off-balance sheet. The calculation of the lease liability will take into account appropriate discount rates, assumptions about lease term and increases in lease payments. A corresponding right to use asset will be recognised which will be amortised over the term of the lease. Rent expense will no longer be shown, the profit and loss impact of the leases will be through amortisation and interest charges.	Whilst the impact of AASB 16 has not yet been quantified, the entity currently leases office premises which it is anticipated will be brought onto the statement of financial position. Interest and amortisation expense will increase and rental expense will decrease

**3 Critical Accounting Estimates and Judgments**

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

**Key judgments – Website and Technology**

Website and Technology is considered to have a finite life and is carried at cost less accumulated impairment losses.

The Directors have determined that amortisation should commence when the asset reaches the commercialisation stage which is expected to be in the next financial year.

**4 Revenue and Other Income**

	2017	2016
	\$	\$
Booked commissions net of cancellations	922,812	332,260
Other Income		
- Grants received	239,831	445,623
- Interest received	1,614	18,273
- Other income	(53,880)	(30,016)
	187,565	433,880

**5 Net Loss**

	2017	2016
	\$	\$
Net loss after income tax includes the following amounts		
- Foreign exchange loss	2,836	6,895
- Bad debt expense	15,520	-
- Interest expense	73,307	85
- Depreciation expense	13,526	6,468

# Jayride Technology Pty Ltd

## Notes to the Financial Statements

For the Year Ended 30 June 2017

6 Cash and Cash Equivalents	2017	2016
	\$	\$
Cash at bank and in hand - AUD	391,175	626,715
Cash at bank – other currencies	376,015	65,322
	<u>767,190</u>	<u>692,037</u>

7 Trade and Other Receivables	2017	2016
	\$	\$
Trade receivables	279,477	176,686
Provision for impairment	(15,089)	-
	<u>264,388</u>	<u>176,686</u>
GST receivable	15,338	21,666
Other receivables	355,640	381,727
<b>Total current trade and other receivables</b>	<u>635,366</u>	<u>580,079</u>

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

Proceeds from the collection of other receivables is committed to discharge the Loan – R&D refund.

8 Other Financial Assets	2017	2016
	\$	\$
NON CURRENT		
Security deposits	37,530	66,649
	<u>37,530</u>	<u>66,649</u>

9 Property, plant and equipment	2017	2016
	\$	\$
Computer equipment at cost	70,158	46,760
Accumulated depreciation	(20,813)	(8,706)
Total plant and equipment	<u>49,345</u>	<u>38,054</u>
Furniture and fittings at cost	17,483	12,025
Accumulated depreciation	(1,595)	(194)
Total furniture and fittings	<u>15,888</u>	<u>11,831</u>
Office equipment at cost	165	-
Accumulated depreciation	(17)	-
Total office equipment	<u>148</u>	<u>-</u>
Total property plant and equipment	<u>65,381</u>	<u>49,885</u>

# Jayride Technology Pty Ltd

## Notes to the Financial Statements

For the Year Ended 30 June 2017

### (a) Movements in carrying amounts of property, plant and equipment

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Computer equipment	Furniture and Fittings	Office equipment	Total
	\$	\$	\$	\$
<b>Year ended 30 June 2016</b>				
Balance at the beginning of year	11,614	484	-	12,098
Additions	32,759	11,497	-	44,256
Depreciation expense	(6,319)	(150)	-	6,469
<b>Balance at the end of the year</b>	<b>38,054</b>	<b>11,831</b>	<b>-</b>	<b>49,885</b>
<b>Year ended 30 June 2017</b>				
Balance at the beginning of year	38,054	11,831	-	49,885
Additions	23,398	5,458	165	29,021
Depreciation expense	(12,107)	(1,401)	(17)	(13,525)
<b>Balance at the end of the year</b>	<b>49,345</b>	<b>15,888</b>	<b>148</b>	<b>65,381</b>

### 10 Intangible Assets

	2017	2016
	\$	\$
Website and technology at cost	2,080,461	1,774,942

### (a) Movement in Carrying amounts of Intangible Assets

#### Year ended 30 June 2016

Balance at the beginning of the year	1,774,942
Additions	-
Impairment	-
<b>Closing value at 30 June 2016</b>	<b>1,774,942</b>

#### Year ended 30 June 2017

Balance at the beginning of the year	1,774,942
Additions	521,640
Grant received allocated directly to intangibles	(216,121)
Impairment	-
<b>Closing value at 30 June 2017</b>	<b>2,080,461</b>



# Jayride Technology Pty Ltd

## Notes to the Financial Statements

For the Year Ended 30 June 2017

11 Trade Payables	2017	2016
	\$	\$
Trade payables	640,544	149,243
ATO liabilities	55,753	53,894
Payroll tax payable	22,765	28,064
Superannuation payable	39,936	10,401
Other payables	25,927	1,186
	<u>784,925</u>	<u>242,788</u>

The carrying amounts are considered to be a reasonable approximation of fair value.

12 Borrowings	2017	2016
	\$	\$
<b>CURRENT</b>		
Loan – R&D Advance	424,728	-
<b>NON-CURRENT</b>		
Convertible notes – liability component	<u>1,235,385</u>	<u>-</u>

Other receivables include an amount of \$355,640 due from an R&D rebate. The proceeds of the R&D rebate have been committed to repay the Loan – R&D Advance.

13 Employee Benefits	2017	2016
	\$	\$
Current	<u>88,057</u>	<u>45,294</u>
Non Current	<u>17,846</u>	<u>14,518</u>

14 Issued Capital	2017	2016
	\$	\$
<b>(a) Ordinary shares</b>	5,694,278	5,694,278
	<b>No.</b>	<b>No.</b>
At the beginning and end of the reporting period	<u>3,732,431</u>	<u>3,732,431</u>

The holders of ordinary shares are entitled to participate in dividends and the proceeds on winding up of the Company. On a show of hands at meetings of the Company, each holder of ordinary shares has one vote in person or by proxy, and upon a poll each share is entitled to one vote.

The Company does not have authorised capital or par value in respect of its shares.

**Notes to the Financial Statements**

For the Year Ended 30 June 2017

**(b) Capital Management**

The key objectives of the Company when managing capital is to safeguard its ability to continue as a going concern and maintain optimal benefits to stakeholders. The Company defines capital as its equity and net debt.

There has been no change to capital risk management policies during the year.

The Company manages its capital structure and makes funding decisions based on the prevailing economic environment and has a number of tools available to manage capital risk. These include maintaining a diversified debt portfolio and the issue of new shares.

**15 Reserves**

Share based payments reserve reflects the accumulated share based payments expense incurred in the current period and prior years.

**16 Leasing Commitments**

<b>Operating Leases</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
Minimum lease payments under non-cancellable operating leases:		
- not later than one year	197,215	125,401
- between one year and five years	1,108,666	-
- later than five years	-	-
	1,305,881	125,401

Operating leases relate to lease of office premises.

**17 Share based payments**

The company has established an Employee Option Scheme which is designed to attract, retain and motivate high performing staff as well as align shareholder and employee interests.

Options typically vest within 12 months and are granted to an employee for no consideration as part of a total remuneration plan.

Set out below is a summary of options granted under the plan:

	<b>2017</b>		<b>2016</b>	
	<b>Average Exercise price per option</b>	<b>Number of Options</b>	<b>Average Exercise price per option</b>	<b>Number of Options</b>
At commencement of year	0.5902	171,964	-	-
Granted during the year	0.5530	49,550	0.5881	204,621
Exercised during the year	-	-	0.5768	11,969
Expired during the year	-	-	-	-
Forfeited during the year	-	-	0.5768	20,688
At end of year	0.5819	221,514	0.5902	171,964

# Jayride Technology Pty Ltd

## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 17 Share based payments (continued)

The fair value of the options at grant date have been assessed using the Black Scholes model with the following inputs

	2017	2016
Exercise price	0.5530	0.5881
Grant date	2017	2016
Expiry date	99 years	99 years
Expected price volatility	75%	75%
Risk free rate	3.66%	3.66%

### 18 Key Management Personnel Remuneration

The total remuneration paid to key management personnel of the company is \$486,863 (30 June 2016: \$429,126).

### 19 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2017 (30 June 2016: None).

### 20 Related Parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

### 21 Cash Flow Information

(a) Reconciliation of result for the year to cash flows from operating activities	2017	2016
Reconciliation of net income to net cash provided by operating activities:	\$	\$
Profit (loss) for the year	(2,296,594)	(1,847,739)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in loss:		
Depreciation and amortisation	13,526	6,468
Unrealised foreign exchange movement	5,639	-
Share based payment expense	180,770	411,778
Provisions for employee entitlements	46,091	24,315
Provision for doubtful debts	15,089	-
Changes in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(55,040)	(370,825)
(Increase)/decrease in other assets	(1,413)	2,833
Increase/(decrease) in trade and other payables	544,034	134,502
Increase/(decrease) in future supplier payments	120,936	107,044
Increase/(decrease) in future supplier payments	(15,338)	-
Cash flow used in operations	(1,442,300)	(1,531,624)

## Jayride Technology Pty Ltd

### Notes to the Financial Statements

For the Year Ended 30 June 2017

#### 22 Events Occurring After the Reporting Date

(a) Additional capital raised and conversion of debt to equity

The company successfully raised additional cash of \$7,199,815 in August for market expansion and to further develop its technology. In addition to this the convertible note of \$1,403,785 at 30 June 2017 was converted to equity.

(b) Meeting to approve IPO called

The Company has issued a Notice of Meeting to be held on 27th October 2017 to approve a number of resolutions related to the Company changing its company type from a proprietary company limited by shares, to a public company limited by shares, and that the Company's name be changed to Jayride Group Limited.

#### 23 Statutory Information

The registered office and principal place of business of the company is:

Level 5  
49 – 51 Pitt Street  
Sydney NSW

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## Directors' Declaration

The directors have determined that the Company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the Accounting policies described in Note 2 to the financial statements.

The directors of the Company declare that:

1. the financial statements and notes for the year ended 30 June 2017 are in accordance with the *Corporations Act 2001* and:
  - a. comply with Accounting Standards, as stated in Note 2; and
  - b. give a true and fair view of the financial position and performance of the Company as at 30 June 2017 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 2 to the financial statements;
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director .....  
Rod Bishop

Director .....  
Andrey Shirben

Dated 23 October 2017

**INDEPENDENT AUDITOR'S REPORT**  
To the Members of Jayride Technology Pty Ltd**Opinion**

We have audited the financial report of Jayride Technology Pty Ltd. (the Company), which comprises the statement of financial position as at 30 June 2017, the statement of profit or loss and 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 2017 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 2, 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.

**Basis of Accounting**

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the Corporations Act 2001. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

**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 2017, 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 and have determined that the basis of preparation described in Note 2 to the financial report is appropriate to meet the requirements of the Corporations Act 2001 and is appropriate to meet the needs of the members. The directors' responsibility also includes 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: [http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of our auditor's report.



**RSM AUSTRALIA PARTNERS**



**J S CROALL**  
Partner

Melbourne, Victoria  
Dated: 24 October 2017