JAYRIDE GROUP LIMITED
ANNUAL REPORT

For the FY18 financial year ended 30 June 2018

Jayride Group Limited ABN 49 155 285 528

Directors	Andrey Shirben - Chairman Rodney Bishop - Managing Director Zhongyuan (Ross) Lin Samuel Saxton Yifat Shirben Jamila Gordon
Company Secretary	Henry Kinstlinger
Registered office and principal place of business	Suite 1101 Level 11 55 Clarence Street Sydney NSW 2000 Email: corporate@jayride.com
Share register	Computershare Investor Services Pty Limited Yarra Falls 452 Johnston Street Abbotsford VIC 3067 Tel: 1300 787 272
Auditor	RSM Australia Partners Level 21 55 Collins Street Melbourne VIC 3000
Solicitors	Piper Alderman Level 23 Governor Macquarie Tower 1 Farrer Place Sydney NSW 2000
Bankers	National Australia Bank Northpoint Building Level 36 100 Miller Street 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	Jayride Group Limited has used cash and cash equivalents held at the time of listing, in a way consistent with its stated business objectives.

Dear Shareholders,

I am pleased to present the Annual Report for Jayride Group Limited (**Jayride** or the **Company**) for the financial year ended 30 June 2018 (**FY18**).

FY18 was a transformative year for Jayride with the Company posting record revenues while completing its Pre-IPO and IPO capital raising, and being admitted to the Official List of the Australian Securities Exchange with the code ASX: JAY.

Management have put the Company's funding to work all year, and in May, Jayride launched its new international travel technology platform, which now positions the Company for future scale and international expansion around the world.

Market share grows as we set up for international expansion

June 2018 marked Jayride's 20th consecutive quarter of record revenue from commissions and fees booked for passenger trips, as Jayride continued to succeed in growing its travel brand across the US, Europe and Australasia.

As the only publicly listed group dedicated to transport e-commerce we continued our focus on growth in market share in existing destinations, while also preparing ourselves for new and rapid international expansion in FY19 and beyond empowered by the Company's new technology platform.

We believe that only by having the best transport content, and the best customer service can we truly win in our service of the traveller, and so as our market share continues to grow along with our profitability in core destinations, we continue to commit to becoming more agile as a company including building industry-leading platforms for transport and traveller service that bring world-first new technology to our industry.

Growing resilience

As your Managing Director it is my objective to maintain a resilience and forward vision that makes Jayride a company that will continue to grow and thrive for years and decades to come.

FY18 has been a transformative year for our Company in this way, across all aspects: Our revenue and profitability growth, brand new technical infrastructure, skilled and committed team, continuing TTV and revenue growth, dramatic improvements to customer service and transport technology platforms, and our Pre-IPO and IPO capital, all improve our resilience and forward outlook.

New technology

FY18 was the year that Jayride built its technical capability for the future.

The origins of our FY18 work date back to the launch of the United States of America (**US**) in FY15. At that time in the US, we had just reached a rapid rate of expansion. New US transport companies were coming online at the rate of 100's per month, and new US destinations were becoming available with strong growth in passenger trips booked.

At this point I asked the Company what would be required to launch in the next 190 countries. The answer was a new transport technology platform which would enable Jayride to expand internationally in a whole new way.

Transport information is hyper-local, and it's Jayride focus on detailed localisation that is the key to our success in serving the traveller. However, if a technology platform requires customisation to set up locally in each destination, then it can't exponentially scale. For Jayride to scale, we needed a new way of thinking about our local information, one that enabled business teams to localise transport, without needing an engineer.

We believed then, as now, that further expansion into new destinations would be the number-one driver of the company's future growth.

Consider every traveller with a relationship to Jayride - they've successfully used Jayride.com in the US and in Australia, and now they return to us to find a transfer somewhere in Europe. If Jayride is not present with the best selection, and the best service, then we lose our chance to retain the traveller.

In order to be truly habit-forming for the traveller, Jayride needs to scale to every destination they need, around the world.

It was this push from the traveller, and this technical challenge at the core of our internationalisation, that led us to complete our Pre-IPO and IPO, bringing together the capital to launch the new transport technology platform which will enable Jayride to serve the traveller at every destination.

After nearly 24 months since we first conceived the initiative, our new transport technology platform launched in May 2018. We expect this will be the key driver of Jayride's growth going forward from now and into the future.

A publicly listed group

Jayride's FY18 Pre-IPO and IPO are key parts to building a long-term and resilient company. As a publicly listed group on the ASX, Jayride has more power to continue its growth.

As we are subject to compliance and disclosure requirements, so too are we seen to be more transparent and more reliable for the large travel brands that use our technology to book their transport services.

Thinking years ahead: As a publicly listed company, Jayride has greater access to capital markets which can enable us to shoot for even more ambitious goals.

And, as the only publicly listed group dedicated to e-commerce for transport, Jayride has greater capacity to follow inorganic growth strategies as it goes forward, to further accelerate growth.

World class team and service

Most importantly in FY18 we made key efforts in building our team and culture to continue our mission, now and into the long-term. In June, the Jayride team reached almost one hundred team members across four continents.

In particular, during FY18 our customer service teams scaled out internationally and now offer travellers support from timezone-aligned regions around the world. And critically, our technology focus was enhanced with key new engineering and product team members which can build the future of transport technology today from our Sydney-based head office.

Jayride exists to serve the traveller, and in FY18 Jayride served 230,000 passenger trips by travellers around the world, who shared their satisfaction with the transport service of their choice with a rating of 4.2/5.0 across over 30,000 reviews.

TTV and revenue performance

Even as we focussed strongly on building for future capability and long-term performance, we also grew rapidly during the period.

Total Transaction Value grew +96% to $9.3m; Net Revenue grew +111% to $2.5m; and Gross Profit after Paid Acquisitions increased +225% to $1m, showing rapid growth in both top-line numbers and also our efficiency for every dollar spent.

Furthermore, during FY18 this growth was delivered through expansion in market share within existing destinations only; whereas when we look ahead, we see Jayride positioned to both continue growth in market share within existing destinations, and to also expand into new international destinations, for the first time since FY15, and in a far more rapid manner.

Forward outlook

Prior to the launch of the new transport technology platform in May, Jayride's international expansion had been limited to 5 countries over 6 years. In May, the platform launched, and by end of June, the Company had launched the first set of pilots in another new 19 countries.

As we go forward, expect to see Jayride launch into further new destinations around the world. At the date of this report, Jayride has already launched its first new destinations, and is looking forward to more.

This focus on international expansion will deliver real value that travellers can rely upon, allowing them to access seamless travel experiences no matter where on earth they want to travel.

As we look ahead, we're excited by the potential of Jayride, and of our industry. Mobility as a Service and the rise of door-to-door transport are major and exciting trends; We can see the travel industry taking note and realising that a truly seamless travel experience must be door-to-door. We're here to make it happen.

As a company we find ourselves in a position with greater ability to deliver for our traveller, to expand internationally, to reach greater scale, and with a world class team and greater cash reserves to deploy than ever before. The future looks bright.

To conclude I'd like to thank each and every stakeholder of Jayride for joining us in what has been a transformative year for the company.

To the transport companies that rely on us for their business, to the travel brands who trust us with their clients, to the shareholders who back the vision and execution of the team, and to the team themselves who turn up every day to punch above their weight: We're all in this together and I can't wait to see what we all deliver together next.

With best regards and looking forward to the year ahead.

Rodney Bishop
Managing Director

28 September 2018
Sydney

The directors present their report, together with the financial statements, on the Company for the year ended 30 June 2018.

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:

Andrey Shirben - Chairman	Appointed 11 July 2012
Rodney Bishop - Managing Director	Appointed 23 January 2012
Zhongyuan (Ross) Lin	Appointed 23 January 2012
Samuel Saxton	Appointed 11 July 2012
Yifat Shirben	Appointed 15 September 2017
Jamila Gordon	Appointed 29 January 2018

Principal activities

The principal operating activity during the financial year was the provision of systems and technology for the comparison and booking of passenger transport services. The Company's e-commerce marketplace provides seamless transport experiences for travellers to compare and book airport transfers from 2000+ transport companies.

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 Group owns the Jayride.com website and operates an e-commerce marketplace for transport.

Jayride.com provides seamless transport experiences for travellers by allowing them to compare and book airport transfers around the world. With Jayride.com, travellers can compare and book with 2,000+ transport companies, servicing destinations from over 500+ airports across North America, Europe and the Pacific.

The Jayride.com platform aggregates airport transfer companies and distributes them to travellers at Jayride.com; and via partnerships with other travel technology platforms, travel agencies and wholesalers. These partners implement Jayride.com APIs to sell airport transfers and add new incremental ancillary revenue to their travel businesses.

The Company earns the majority of its Revenue from Commissions and Fees Booked for Passenger Trips. Travellers visit Jayride.com or its partners to book transport, from which Jayride recognises its Commissions and Fees. Jayride is the merchant for these transactions, and acts as an agency for the traveller with the transport company.

Jayride receives the Total Transaction Value ('TTV') for Passenger Trips and holds the funds on behalf of the traveller until after travel, at which point Jayride remits payment of net rates to the transport company.

In total during FY18, Jayride booked 230,000 passenger trips, received $9.3m TTV for passenger trips booked, and earned $2.3m of Revenue from Commissions and Fees Booked as part of $2.5m total Net Revenue.

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

Quarter 1, FY18

During Q1 FY18 Jayride increased its Revenue from Commissions and Fees Booked for Passenger Trips to $450,000 for the quarter, which was growth of 10% quarter-on-quarter compared to Q4 FY17.

On 9 August 2018, Jayride completed a Pre-IPO capital raising of $8m. The capital raise included the conversion of the convertible debt held in the Company at that time.

On 15 September 2017, Yifat Shirben (Marketing, growth and communication specialist) was appointed as a non-executive Director.

The Pre-IPO capital raise was originally intended to be $4m-$5m, as part of a total $10m tranche of capital including the IPO, but was heavily oversubscribed by existing holders and related parties.

The capital raise also included the issue of convertible securities to subscribers and convertible-debt holders allowing them to invest at a higher valuation point, at a future date. Ahead of the IPO the Company replaced those convertible securities with Unlisted Options with a strike price of $0.553 and an expiry date of 31 March 2020 in compliance with the ASX Listing Rules and to provide certainty to shareholders and the market.

The Pre-IPO capital raising was undertaken to fund the development of a new transport technology platform, and to launch new business development activities so as to add new transport companies to the platform in new international destinations.

Previously the Company had only offered transport services in destinations across the US, Australia and New Zealand, UK and Ireland. Furthermore, the Company had only been able to add transport in new international destinations at a rate of one country at a time, where each country required new technology to be created. This made the scaling cost of entry into new Countries a linearly scaling cost, which would not empower the exponential scaling of the Company. It also made entry into small countries cost-prohibitive.

It was conceived that a new transport technology platform, which removed the country-level restriction and enabled transport to be added to any international destination would be superior, and would enable exponential growth. Furthermore, it was calculated that the total technology cost of a one-off creation of a new platform would be cheaper that an ongoing incremental development of country-by-country roll-out in the long-term.

Following the Company's Pre-IPO capital raising, the Company began to design the Information Architecture (IA) of the new transport technology platform and began the process to recruit the team members required to launch the technology platform.

The Company moved its head office location to 55 Clarence Street, Sydney.

Quarter 2, FY18
During Q2 FY18 Jayride increased its Revenue from Commissions and Fees Booked for Passenger Trips to $496,000 for the quarter, which was growth of 10% quarter-on-quarter compared to Q1 FY18.

In addition, 79 new airports were added with new services by transport companies.

New senior team members were hired across multiple teams including Engineering, Product, Transport, and Enablement. These new positions were created to support the Company's scaling into new regions, with new transport companies, and new partnerships.

Development of the new transport technology platform commenced this period. Other technology products were also completed to allow for further scaling of the Company's booking activity once the transport technology platform complete.

The Company launched new technology, including:
- Updates to the traveller booking website to make it easier for travellers to compare options, specify extras, and book transfers, which resulted in increased cart sizes, and increased conversion rates.
- Customer support technology to enable faster and more capable traveller support for an improved traveller experience, leading to faster response times and faster resolution times, at a decreased cost per booking.

Quarter 3, FY18
On 29 January 2018, Jayride debuted on the ASX as ASX: JAY after having completed an IPO raising of $1.5m, with strong interest from a wide base of new investors.

Because of the oversubscribed Pre-IPO capital raising, the Company did not have a significant requirement for new capital and accordingly did not conduct a large IPO raising.

At listing, former CIO of Qantas, Jamila Gordon, was appointed as a non-executive Director.

During Q3 FY18, Jayride increased its Revenue from Commissions and Fees Booked for Passenger Trips to $633,000 for the quarter, which was growth of 28% quarter-on-quarter compared to Q2 FY18.

In addition, revenue growth was present in all channels, especially revenues from Travel Agencies which experienced growth of 71% over the prior quarter.

Development of the new transport technology platform continued, with the first releases of the new platform to Jayride team members. The Company began preparation to book transport in new regions, including hiring key roles within the transport team, and preparing the customer service team to provide international service.

The new technology launched for scalable customer support had outstanding success, delivering a superior experience for travellers, with increased operational efficiency in the support team, improved response times, resolution times, and review scores; through the release of complete 24/7 support, staffed internationally from travel-timezone-aligned regions.

Quarter 4, FY18

During Q4 FY18, Jayride increased its Revenue from Commissions and Fees Booked for Passenger Trips to $740,000 for the quarter, which was growth of 17% quarter-on-quarter compared to Q3 FY18.

On 28 May 2018 the new transport technology platform launched ahead of its target timeline of end of financial year, and under budget.

The initial use of the new platform saw the Company pilot the platform with travellers to book transport in new international countries, starting with its initial pilots in ten new international countries simultaneously.

In June, Jayride increased the number of countries being piloted in the soft-launch to 19. For context, prior to the development of the new technology platform, Jayride was only able to launch five countries over six years.

In June, the Company received a $362,000 Research and Development Tax Incentive. The amount received was for the FY17 financial year, which ordinarily would have been received earlier, but had been delayed by the Company's focus on the Pre-IPO and IPO.

Significant changes in the state of affairs

On 18 August 2017, the Company successfully raised additional cash of $7,199,815 for market expansion and to further develop its technology. In addition the convertible note of $1,403,785 at 30 June 2017 was converted to equity.

On 27 October 2017, the Company held a General Meeting to approve a number of resolutions related to the Company changing its type from a proprietary company limited by shares to a public company limited by shares, including that the Company's name be changed from Jayride Technology Pty Ltd to Jayride Group Limited.

On 29 January 2018, the Company successfully listed on the Australian Securities Exchange ('ASX') after an oversubscribed Initial Public Offer ('IPO') which raised an additional $1,500,000 of capital.

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 18 August 2018, 1,613,312 ordinary shares were released from ASX imposed escrow.

On 31 August 2018, the Company issued 86,628 ordinary shares to employees as payment for incentives earned through outstanding performance in the final quarter of FY18.

On 31 August 2018, the Company issued 2,378,198 options under the Employee Share Option Plan ('ESOP') to senior leadership of the Company. The ESOP options have been issued with an exercise price of $0.533, vesting over 4 years and expire on 30 June 2023. If all ESOP Options issued are exercised into shares, the Company will receive $1,268,624.

No other matter or circumstance has arisen since 30 June 2018 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

Following the release of the Company's new transport technology platform, the Company is now able to launch in more countries, and take data-driven decisions on where to scale up from a pilot into a full launch.

As Jayride continues this process, it is expected that new countries will be launched with a material effect on revenue generation and growth in the coming financial year, and in the long-term.

Environmental regulation

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

Information on directors

Name:	Andrey Shirben
Title:	Chairman
Experience and expertise:	Andrey is a serial entrepreneur and investor and founder of SYD Ventures, a venture company that invests in early-stage start-ups and co-founder of Follow[the]Seed, a global VC fund for companies seeking post-seed investment. He has established numerous companies and invested in over 50 start-ups. He was Jayride's first investor in 2012 and since then, a non-executive director. Andrey has an extensive technical background with online marketing, monetization and business experience, including co-developing RavingFans® a unique data driven algorithm for investment, which helps identify "habit forming" products and companies at a very early stage.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Member of the Remuneration and Nomination Committee
Interests in shares:	321,700 ordinary shares held directly and 10,828,516 ordinary shares held indirectly
Interests in options:	2,000,000 options over ordinary shares

Name:	Rodney Bishop
Title:	Managing Director
Experience and expertise:	Rod co-founded Jayride in 2012 and has built the Company from concept through to what it is today. He is a product and sales visionary with over 10 years' of experience in founding companies and leading teams. In addition to team leadership, Rod has deep subject matter expertise in passenger transport, digital marketing, sales management and enterprise selling. His prior roles have included being the Founder of Hitch (marketplace for hitch hikers), founding member of The Ridesharing Institute NZ (an alternative transport NGO) and Marketing Director, Navigo (enterprise software sales).
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Member of the Audit and Risk Committee, Member of the Remuneration and Nomination Committee and Member of the Technology Steering Committee
Interests in shares:	10,888,512 ordinary shares held directly
Interests in options:	None

Name:	Zhongyuan (Ross) Lin
Title:	Non-Executive Director
Experience and expertise:	Ross is a co-founder of Jayride. He is an accomplished technology entrepreneur with extensive technology solutions strategy, planning and implementation experience. Ross is a deep technical expert with over 13 years' of experience in geospatial technology and e-commerce marketplaces. Ross has served the Company as CTO-Emeritus for 6 years, since inception, and remains co-founder, board member, and technical contributor to the Company. His prior experience has included Senior .NET Developer, Fairfax Digital (e-commerce marketplace), Senior .NET Developer, Grays Online (e-commerce marketplace), Senior .NET Developer, TradeMe (e-commerce marketplace) and Geo-Spatial Developer, Project X (spatial mapping platform).
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Chair of the Technology Steering Committee
Interests in shares:	10,295,048 ordinary shares held directly
Interests in options:	None

Name:	Samuel Saxton
Title:	Non-Executive Director
Experience and expertise:	Sam has over 15 years' of experience as a technology consultant having delivered significant change programs across the telecommunications, energy, retail and construction sectors. Sam is an experienced entrepreneur, founding his first business at 19, with successful exits. Being active in both the Australian and New Zealand start-up ecosystems, Sam supports the growth of early stage companies as an angel investor, adviser and director. Sam led the Sydney Angel's syndicate that invested into Jayride in 2012.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Chair of the Audit and Risk Committee
Interests in shares:	754,644 ordinary shares held directly
Interests in options:	22,827 options over ordinary shares

Name:	Yifat Shirben
Title:	Non-Executive Director
Experience and expertise:	Yifat is a graduate member of the Australian Institute of Company Directors and has over 10 years' of international experience within the online and mobile marketing industry. She has a demonstrated track record of leading cross-functional expert teams and career training and has extensive knowledge in Messaging, Go-To Market planning, Social Media, PR, Mobile Marketing, Search Engine Optimisation ('SEO'), Search Engine Marketing ('SEM'), Affiliate Marketing and Website Optimisation. She is highly accomplished in developing new business, improving operational and financial performance, identifying deficiencies and potential opportunities, developing innovative and cost effective marketing solutions for enhancing competitiveness, increasing revenues and improving customer satisfaction. Yifat is an international speaker, mentor and blogger and highly involved in the local innovation eco-system.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Member of the Audit and Risk Committee
Interests in shares:	25,416 ordinary shares held directly and 2,661,188 ordinary shares held indirectly
Interests in options:	None

Name:	Jamila Gordon
Title:	Non-Executive Director
Experience and expertise:	Jamila is the CEO and Founder of Lumachain, a technology platform that disrupts traditional enterprise supply chains using blockchain, IoT and AI to provide transparency, safety and trust throughout the supply chain. She is one of Australia's most respected IT and digital leaders. Non-executive Director Jayride, and an advisory board member of VentureCrowd. Her background includes roles as Group Chief Information Officer of Qantas Airways and Leighton Holdings/CIMIC, and prior to this, as a global executive with IBM based in Europe, leading some of IBM's largest transformational 'mega-deals' with Solectron Manufacturing, AXA Insurance and ABN AMRO Bank. Jamila has a deep understanding of the corporate world from both a technology and business perspective, and an extensive network spanning the business, technology, start-up worlds, both in Australia and globally.
Other current directorships:	None
Former directorships (last 3 years):	Director of GetSwift Ltd (ASX: GSW) from September 2016 to November 2017
Special responsibilities:	Member of the Remuneration and Nomination Committee and Member of the Technology Steering Committee
Interests in shares:	34,900 ordinary shares held directly
Interests in options:	None

'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') and of each Board committee held during the year ended 30 June 2018, 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
Andrey Shirben	16	16	-	-	1	2
Rodney Bishop	16	16	1	1	-	-
Zhongyuan (Ross) Lin	16	16	-	-	1	2
Samuel Saxton	16	16	1	1	2	2
Yifat Shirben	13	13	1	1	-	-
Jamila Gordon	4	4	-	-	-	-

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 remuneration arrangements for the Company, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel 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 disclosures relating to key management personnel

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 of Directors ('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 Board 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. Non-executive directors do not receive share options or other incentives.

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 27 October 2017, where the shareholders approved a maximum annual aggregate remuneration of $300,000.

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 ('KPI's') being achieved. KPI's include profit contribution, customer satisfaction, leadership contribution and product management.

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

Employee Share Option Plan
Prior to the IPO, the shareholders of the company adopted an ASX compliant Employee Share Option Plan ('ESOP'). Subject to shareholder approval required by ASX listing rules directors are considered eligible.

No options were issued during the financial year, however 2,378,198 options were issued on 31 August 2018 to key management team members and other employees.

Issue of options to directors
Subject to shareholder approval, non-executive directors will be issued 300,000 options each, exercisable at $0.50.

Terms and conditions of options
The terms and conditions of an option are as follows:

a) Vesting	The options vest on the date the Company is admitted to the Official List of the ASX, being 25 January 2018.
b) Expiry date	The options expire on 25 January 2023.
c) Option period	The period from the date of issue of the options to 25 January 2023.
d) Shares issued on option exercise	Shares issued on the exercise of the options rank equally in all respects with the then existing issued shares in the capital of the Company. From the date of issue, shares are subject to the provisions of the Constitution.
e) Exercise price	The exercise price is $0.50 for each option.
f) Exercise of options	The options are exercisable wholly or in part by execution and lodgement with the Company of a notice of exercise and payment of the exercise price during the option period. The notice of exercise must set out the number of options which the option holder wishes to exercise.
g) Transferability	The options may not be transferred.

Use of remuneration consultants
During the financial year ended 30 June 2018, the Company did not engage remuneration consultants to review its existing remuneration policies and provide recommendations on how to improve both 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.

Details of remuneration
The key management personnel of the Company consisted of the following directors of the Company:
- Andrey Shirben - Chairman
- Rodney Bishop - Managing Director
- Zhongyuan (Ross) Lin
- Samuel Saxton
- Yifat Shirben (appointed 15 September 2017)
- Jamila Gordon (appointed 29 January 2018)

And the following persons:
- Peter McWilliam - Chief Financial Officer (Formerly Head of Finance)
- Henry Kinstlinger - Company Secretary

Amounts of remuneration
Details of the remuneration of key management personnel of the Company are set out in the following tables:

Prior to listing the Company on the ASX, Jayride Group Limited was not required to prepare a remuneration report in accordance with the Corporations Act 2001. As such, remuneration information below is presented for the year ended 30 June 2018 only.

2018	Short-term benefits: Cash salary and fees $	Short-term benefits: Cash bonus $	Short-term benefits: Non-monetary $	Post-employment benefits: Super-annuation $	Long-term benefits: Long service leave $	Share-based payments: Equity-settled** $	Total $
Non-Executive Directors:							
Andrey Shirben	23,427	-	-	2,226	-	158,293	183,946
Zhongyuan (Ross) Lin	23,427	-	-	2,226	-	158,293	183,946
Samuel Saxton	23,427	-	-	2,226	-	158,293	183,946
Yifat Shirben*	23,427	-	-	2,226	-	12,663	38,316
Jamila Gordon*	23,427	-	-	2,226	-	-	25,653
Executive Directors:							
Rodney Bishop	212,439	37,500	-	23,744	-	239,697	513,380
Other Key Management Personnel:							
Peter McWilliam	130,137	-	-	12,363	-	121,742	264,242
Henry Kinstlinger***	34,650	-	-	-	-	-	34,650
	494,361	37,500	-	47,237	-	848,981	1,428,079

* Remuneration is from date of appointment to 30 June 2018
** Directors received a share-based payment for unpaid tenure as directors of Jayride Pty Ltd
*** Advisory fees paid to Henry relating to the IPO have been excluded

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

Name	Fixed remuneration 2018	At risk - STI 2018	At risk - LTI 2018
Non-Executive Directors:			
Andrey Shirben	14%	-	86%
Zhongyuan (Ross) Lin	14%	-	86%
Samuel Saxton	14%	-	86%
Yifat Shirben	67%	-	33%
Jamila Gordon	100%	-	-
Executive Directors:			
Rodney Bishop	41%	12%	47%
Other Key Management Personnel:			
Peter McWilliam	42%	-	58%
Henry Kinstlinger	100%	-	-

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

Name	Cash bonus paid/payable 2018	Cash bonus forfeited 2018
Non-Executive Directors:		
Andrey Shirben	-	-
Zhongyuan (Ross) Lin	-	-
Samuel Saxton	-	-
Yifat Shirben	-	-
Jamila Gordon	-	-
Executive Directors:		
Rodney Bishop	100%	-

Service agreements
Remuneration and other terms of employment for key management personnel 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: 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. 2. Up to $145,000 per annum (including superannuation) as a milestone based annual remuneration. Subject to any necessary shareholder approval required by the Corporations Act 2001 or the Listing Rules, the milestone based payments will be made as 50% cash and 50% shares
Termination:	The engagement of Rodney under the Executive Services Agreement may be terminated: 1. By Rodney providing the Company with at least six months' notice; 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; 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 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 salary of $60,000 per year. 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.

Share-based compensation

Issue of shares

Details of shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2018 are set out below:

Name	Date	Shares	Issue price	$
Peter McWilliam	28 May 2018	7,013	$0.420	2,945

Share-based compensation of $50,000 paid to an advisory company controlled by Henry Kinstlinger for advisory services relating to the IPO have been excluded.

Options

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

Name	Number of options granted	Grant date*	Vesting date and exercise date*	Expiry date	Exercise price	Fair value per option at grant date
Andrey Shirben	317,700	31 October 2017	31 October 2017	No expiry	$0.119	$0.0598
Rodney Bishop	193,460	30 September 2017	30 September 2017	No expiry	$0.124	$0.0505
Rodney Bishop	317,700	31 October 2017	31 October 2017	No expiry	$0.119	$0.0598
Zhongyuan (Ross) Lin	317,700	31 October 2017	31 October 2017	No expiry	$0.119	$0.0598
Samuel Saxton	317,700	31 October 2017	31 October 2017	No expiry	$0.119	$0.0598
Yifat Shirben	25,416	31 October 2017	31 October 2017	No expiry	$0.119	$0.0598
Peter McWilliam	252,348	30 September 2017	30 September 2017	No expiry	$0.124	$0.0505

* All options were granted and exercised pre-IPO.

Options granted carried no dividend or voting rights.

Additional disclosures relating to key management personnel

Shareholding
The number of shares in the Company held during the financial year by each director and other members of key management personnel 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	Disposals/ other	Balance at the end of the year
Ordinary shares					
Andrey Shirben*	1,939,488	343,116	8,867,612	-	11,150,216
Rodney Bishop	10,377,348	511,164	-	-	10,888,512
Zhongyuan (Ross) Lin	10,377,348	317,700	-	(400,000)	10,295,048
Samuel Saxton	401,292	317,700	35,652	-	754,644
Yifat Shirben*	-	-	25,416	-	25,416
Jamila Gordon	-	-	34,900	-	34,900
Peter McWilliam	-	468,545	-	-	468,545
Henry Kinstlinger	-	-	116,000	-	116,000
	23,095,476	1,958,225	9,079,580	(400,000)	33,733,281

* 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.

Option holding
The number of options over ordinary shares in the Company held during the financial year by each director and other members of key management personnel 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					
Andrey Shirben*	-	2,317,700	(317,700)	-	2,000,000
Rodney Bishop	-	511,164	(511,164)	-	-
Zhongyuan (Ross) Lin	-	317,700	(317,700)	-	-
Samuel Saxton	-	340,527	(317,700)	-	22,827
Yifat Shirben*	-	25,416	(25,416)	-	-
Peter McWilliam	209,188	274,776	(461,532)	(22,432)	-
	209,188	3,787,283	(1,951,212)	(22,432)	2,022,827

* 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.

The above table contain options issued under different terms, including options issued to investors as well as options issued to directors and key management team members as share based remuneration.

Loans to key management personnel and their related parties
The following non-recourse loans were undertaken by key management personnel to fund the exercise of options not meeting ASX listing requirements:

Key management personnel	$
Andrey Shirben	37,775
Rodney Bishop	61,679
Zhongyuan (Ross) Lin	37,775
Sam Saxton	37,775
Yifat Shirben	3,022
Peter McWilliam	42,824
	220,850

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
18 December 2017	31 March 2020	$0.553	16,334,738
31 August 2018	30 June 2023	$0.533	2,378,198
			18,712,936

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 issued on the exercise of options
The following ordinary shares of the Company were issued during the year ended 30 June 2018 and up to the date of this report on the exercise of options granted:

Financial year options granted	Average exercise price	Number of shares issued
2016	$0.0550	2,025,660
2017	$0.0461	594,588
2018	$0.1214	2,178,264
		4,798,512

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
Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 21 to the financial statements.

The directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are of the opinion that the services as disclosed in note 21 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:
- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

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.

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

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	Andrey Shirben
Managing Director	Chairman

28 September 2018
Sydney

RSM Australia Partners

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PO Box 248 Collins Street West VIC 8007

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F +61 (0) 3 9286 8199

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Jayride Group Limited for the year ended 30 June 2018, 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

J S CROALL
Partner

Dated: 28 September 2018
Melbourne, Victoria

	Note	2018 $	2017 $
Revenue and other income			
Commission and fees booked		2,315,659	1,107,114
Refunded commission and fees booked		(402,115)	(184,302)
Other income	5	537,516	241,445
Total income		2,451,060	1,164,257
Advertising and marketing costs			
Advertising and marketing costs		(1,413,195)	(845,270)
Operational costs			
Employee and contractor costs		(989,557)	(573,892)
Other operating costs		(943,573)	(522,528)
Total operational costs		(1,933,130)	(1,096,420)
Corporate costs			
Corporate costs		(432,046)	-
Growth costs			
Engineering costs not capitalised	6	(239,040)	(130,976)
Employee and contractor costs		(1,924,840)	(959,522)
Share-based payments expense		(1,162,198)	(180,770)
Other growth costs		(570,348)	(158,224)
Total growth costs not capitalised		(3,896,426)	(1,429,492)
Other costs			
Depreciation and amortisation	7	(515,021)	(13,526)
Currency movements		(18,139)	(2,836)
Interest expense	7	(5,795)	(73,307)
Total other costs		(538,955)	(89,669)
Total operating costs		(8,213,752)	(3,460,851)
Loss before income tax expense		(5,762,692)	(2,296,594)
Income tax expense	8	-	-
Loss after income tax expense for the year attributable to the owners of Jayride Group Limited		(5,762,692)	(2,296,594)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the owners of Jayride Group Limited		(5,762,692)	(2,296,594)
		Cents	Cents
Basic earnings per share	27	(8.41)	(5.12)
Diluted earnings per share	27	(8.41)	(5.12)

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 2018

	Note	2018 $	2017 $
Assets			
Current assets			
Cash and cash equivalents	9	3,560,216	767,190
Trade and other receivables	10	628,080	264,388
Goods and services tax receivable		31,877	15,338
Research and development receivable		853,544	355,640
Prepayments		74,956	-
Total current assets		5,148,673	1,402,556
Non-current assets			
Deposits and bank guarantees		323,890	37,530
Plant and equipment	11	211,785	65,381
Capitalised technology costs	12	2,201,726	2,080,461
Total non-current assets		2,737,401	2,183,372
Total assets		7,886,074	3,585,928
Liabilities			
Current liabilities			
Trade and other payables	13	1,092,134	759,482
Short-term loan	14	-	424,728
Employee benefits		140,278	88,057
Future transport payments		498,834	358,873
Total current liabilities		1,731,246	1,631,140
Non-current liabilities			
Convertible notes - liability component		-	1,235,385
Employee benefits		44,530	17,846
Total non-current liabilities		44,530	1,253,231
Total liabilities		1,775,776	2,884,371
Net assets		6,110,298	701,557
Equity			
Issued capital	15	15,902,025	5,694,278
Convertible notes reserve - equity component		-	168,400
Share-based payments reserve	16	1,724,634	592,548
Accumulated losses		(11,516,361)	(5,753,669)
Total equity		6,110,298	701,557

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 2018

	Issued capital $	Convertible notes reserve $	Share-based payments reserve $	Accumulated losses $	Total equity $
Balance at 1 July 2016	5,694,278	-	411,778	(3,457,075)	2,648,981
Loss after income tax expense for the year	-	-	-	(2,296,594)	(2,296,594)
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(2,296,594)	(2,296,594)
Transactions with owners in their capacity as owners:					
Share-based payments (note 28)	-	-	180,770	-	180,770
Convertible notes - equity component	-	168,400	-	-	168,400
Balance at 30 June 2017	5,694,278	168,400	592,548	(5,753,669)	701,557

	Issued capital $	Convertible notes reserve $	Share-based payments reserve $	Accumulated losses $	Total equity $
Balance at 1 July 2017	5,694,278	168,400	592,548	(5,753,669)	701,557
Loss after income tax expense for the year	-	-	-	(5,762,692)	(5,762,692)
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(5,762,692)	(5,762,692)
Transactions with owners in their capacity as owners:					
Contributions of equity, net of transaction costs (note 15)	10,207,747	-	-	-	10,207,747
Share-based payments (note 28)	-	-	1,132,086	-	1,132,086
Convertible notes issued	-	(168,400)	-	-	(168,400)
Balance at 30 June 2018	15,902,025	-	1,724,634	(11,516,361)	6,110,298

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

	Note	2018 $	2017 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		1,991,342	1,082,938
Payments to suppliers and employees (inclusive of GST)		(6,490,066)	(2,727,903)
Grants received		485,424	265,917
Interest received		39,524	1,613
Interest and other finance costs paid		(5,795)	(73,307)
Net cash used in operating activities	25	(3,979,571)	(1,450,742)
Cash flows from investing activities			
Payments for plant and equipment		(191,713)	(29,022)
Payments for intangibles		(1,076,312)	(305,519)
Payments for security deposits		(286,360)	-
Proceeds from release of security deposits		-	29,119
Net cash used in investing activities		(1,554,385)	(305,422)
Cash flows from financing activities			
Proceeds from issue of shares	15	10,533,104	-
Share issue transaction costs	15	(355,470)	-
Loans from/(to) related parties		(1,828,513)	1,828,513
Net cash from financing activities		8,349,121	1,828,513
Net increase in cash and cash equivalents		2,815,165	72,349
Cash and cash equivalents at the beginning of the financial year		767,190	692,037
Effects of exchange rate changes on cash and cash equivalents		(22,139)	2,804
Cash and cash equivalents at the end of the financial year	9	3,560,216	767,190

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 1101
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 28 September 2018. 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. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Company.

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

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.

As disclosed in the financial statements, the Company incurred a loss of $5,762,692 (2017: $2,296,594) and had net cash outflows from operating activities of $3,979,571 (2017: $1,450,742) for the year ended 30 June 2018. As at that date the Company had net current assets of $3,417,427 (2017: net current liabilities of $228,584) and net assets of $6,110,298 (2017: 701,557).

The Directors believe that it is reasonably foreseeable that the Company will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report after consideration of the following factors:
- the Company has significant cash and cash equivalents on hand, currently $3,560,216 at 30th June 2018;
- the Company expects to receive its R&D Tax Incentive of $853,544 in the next 30 days, and has the ability to raise further capital from investors if required; and
- the Company has flexibility to increase or decrease the discretionary spend on the investment made into the technology and other growth assets in 2018 without affecting the operations of the Company.

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.

Note 2. Significant accounting policies (continued)

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.

Revenue recognition
Revenue is recognised when it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

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

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

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.

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.

Note 2. Significant accounting policies (continued)

Comparative information

Comparatives in the statement of profit or loss and other comprehensive income have been aligned to current year disclosure.

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 2018. The Company's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Company, are set out below.

AASB 9 Financial Instruments

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard replaces all previous versions of AASB 9 and completes the project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. AASB 9 introduces new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost, if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, which arise on specified dates and solely principal and interest. All other financial instrument assets are to be classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income ('OCI'). For financial liabilities, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements will use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment will be measured under a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. The standard introduces additional new disclosures. The Company will adopt this standard from 1 July 2018, and the adoption of this standard is not expected to significantly impact the financial statements on the basis that the main financial assets recognised represent cash and cash equivalent, trade and other receivables that do not carry a significant financing component and involve a single cash flow representing the repayment of principal, which in the case of trade receivables is the transaction price. These asset classes will continue to be measured at face value. Other financial asset classes are not material to the Company. Financial liabilities are not expected to be materially impacted.

AASB 15 Revenue from Contracts with Customers

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard provides a single standard for revenue recognition. The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard will require: contracts (either written, verbal or implied) to be identified, together with the separate performance obligations within the contract; determine the transaction price, adjusted for the time value of money excluding credit risk; allocation of the transaction price to the separate performance obligations on a basis of relative stand-alone selling price of each distinct good or service, or estimation approach if no distinct observable prices exist; and recognition of revenue when each performance obligation is satisfied. Credit risk will be presented separately as an expense rather than adjusted to revenue. For goods, the performance obligation would be satisfied when the customer obtains control of the goods. For services, the performance obligation is satisfied when the service has been provided, typically for promises to transfer services to customers. For performance obligations satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied. Contracts with customers will be presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Sufficient quantitative and qualitative disclosure is required to enable users to understand the contracts with customers; the significant judgements made in applying the guidance to those contracts; and any assets recognised from the costs to obtain or fulfil a contract with a customer. The Company will adopt this standard from 1 July 2018. The assessment has identified that the changes in revenue recognition requirements in AASB 15 will not result in any material changes to the timing and amount of revenue recorded in the financial statements. Although Jayride do have an element of variable consideration in their revenue streams in relation the refundable commissions this is however not expected to impact revenue materially at the end of the financial period.

Note 2. Significant accounting policies (continued)

AASB 16 Leases
This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured at the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results will be improved as the operating expense is replaced by interest expense and depreciation in profit or loss under AASB 16. For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The Company will adopt this standard from 1 July 2019. Information on the undiscounted amount of the Company's operating lease commitments under AASB 117, the current leasing standard, is disclosed in note [22]. The Company currently leases office premises in Sydney. As at 30 June 2018, the Company had $1.1m of operating lease commitments, which is anticipated to be brought onto the statement of financial position through the recognition of a right of use asset and associated lease liability. The operating lease expense in the statement of profit and loss will be replaced by depreciation expense of the asset and an interest charge.

IASB revised Conceptual Framework for Financial Reporting
The revised Conceptual Framework has been issued by the International Accounting Standards Board ('IASB'), but the Australian equivalent has yet to be published. The revised framework is applicable for annual reporting periods beginning on or after 1 January 2020 and the application of the new definition and recognition criteria may result in future amendments to several accountings standards. Furthermore, entities who rely on the conceptual framework in determining their accounting policies for transactions, events or conditions that are not otherwise dealt with under Australian Accounting Standards may need to revisit such policies. The Company will apply the revised conceptual framework from 1 July 2020 and is yet to assess its impact.

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.

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 either the Binomial or Black-Scholes 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.

Provision for impairment of receivables
The provision for impairment of receivables assessment requires a degree of estimation and judgement. The level of provision is assessed by taking into account the recent sales experience, the ageing of receivables, historical collection rates and specific knowledge of the individual debtor's financial position.

Note 3. Critical accounting judgements, estimates and assumptions (continued)

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.

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 2018 11.18% (2017: 0%) of the Company's external revenue was derived from sales to one customer.

Geographical information

	Sales to external customers		Geographical non-current assets	
	2018 $	2017 $	2018 $	2017 $
Australia	849,690	359,894	2,737,401	2,183,372
New Zealand	110,848	91,251	-	-
United Kingdom	116,684	77,921	-	-
United States of America	1,158,504	516,681	-	-
Others	79,933	61,367	-	-
	2,315,659	1,107,114	2,737,401	2,183,372

The geographical non-current assets above are exclusive of, where applicable, financial instruments, deferred tax assets, post-employment benefits assets and rights under insurance contracts.

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 Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Note 5. Other income

	2018 $	2017 $
Research and development tax incentive	497,992	239,831
Interest received	39,524	1,614
	537,516	241,445

Note 5. Other income (continued)

Accounting policy for research and development tax incentive
Government grants 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 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. Engineering costs not capitalised

	2018 $	2017 $
Engineering costs		
Total technology costs	1,315,353	652,616
Less: capitalised technology costs (note 12)	(1,076,313)	(521,640)
Engineering costs not capitalised	239,040	130,976

Note 7. Expenses

	2018 $	2017 $
Loss before income tax includes the following specific expenses:		
Depreciation		
Fixtures and fittings	9,608	1,402
Computer equipment	35,008	12,107
Office equipment	693	17
Total depreciation	45,309	13,526
Amortisation		
Capitalised technology costs	469,712	-
Total depreciation and amortisation	515,021	13,526
Finance costs		
Interest and finance charges paid/payable	5,795	73,307
Rental expense relating to operating leases		
Minimum lease payments	281,216	184,605
Superannuation expense		
Defined contribution superannuation expense	289,158	134,039

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 8. Income tax expense

	2018 $	2017 $
Numerical reconciliation of income tax expense and tax at the statutory rate		
Loss before income tax expense	(5,762,692)	(2,296,594)
Tax at the statutory tax rate of 27.5%	(1,584,740)	(631,563)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Depreciation and amortisation	139,496	(4,262)
Entertainment expenses	3,844	2,002
Legal expenses	-	2,900
Share-based payments	318,806	49,712
Employee benefits	34,381	29,621
Provision for bad debts	11,782	4,149
Share issue costs	46,981	-
Prepaid expenses	(17,810)	-
Foreign exchange losses	(451)	1,162
Research and development	26,464	191,034
Sundry items	(69,419)	(6,797)
	(1,090,666)	(362,042)
Current year tax losses not recognised	1,090,666	362,042
Income tax expense	-	-

	2018 $	2017 $
Tax losses not recognised		
Unused tax losses for which no deferred tax asset has been recognised	7,731,072	3,765,016
Potential tax benefit @ 27.5%	2,126,045	1,035,379

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.

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.

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.

Note 8. Income tax expense (continued)

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 9. Current assets - cash and cash equivalents

	2018 $	2017 $
Cash at bank and on hand	2,160,216	767,190
Cash on deposit	1,400,000	-
	3,560,216	767,190

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 10. Current assets - trade and other receivables

	2018 $	2017 $
Trade receivables	686,009	279,477
Less: Provision for impairment of receivables	(57,929)	(15,089)
	628,080	264,388

Impairment of receivables
The Company has recognised a loss of $21,365 (2017: $15,520) in profit or loss in respect of impairment of receivables for the year ended 30 June 2018.

The ageing of the impaired receivables provided for above are as follows:

	2018 $	2017 $
Less than 3 months overdue	15,832	-
3 to 6 months overdue	14,966	3,469
Over 6 months overdue	27,131	11,620
	57,929	15,089

Note 10. Current assets - trade and other receivables (continued)

Movements in the provision for impairment of receivables are as follows:

	2018 $	2017 $
Opening balance	15,089	-
Additional provisions recognised	43,099	15,520
Unused amounts reversed	(259)	(431)
Closing balance	57,929	15,089

Past due but not impaired
Customers with balances past due but without provision for impairment of receivables amount to $191,760 as at 30 June 2018 ($81,066 as at 30 June 2017).

The Company did not consider a credit risk on the aggregate balances after reviewing the credit terms of customers based on recent collection practices.

The ageing of the past due but not impaired receivables are as follows:

	2018 $	2017 $
Less than 3 months overdue	128,592	56,701
3 to 6 months overdue	22,449	10,065
Over 6 months overdue	40,719	14,300
	191,760	81,066

Accounting policy for trade and other receivables
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Trade receivables are generally due for settlement within 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is raised when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments (more than 60 days overdue) are considered indicators that the trade receivable may be impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Other receivables are recognised at amortised cost, less any provision for impairment.

Note 11. Non-current assets - plant and equipment

	2018 $	2017 $
Fixtures and fittings - at cost	129,036	17,483
Less: Accumulated depreciation	(11,203)	(1,595)
	117,833	15,888
Computer equipment - at cost	146,301	70,158
Less: Accumulated depreciation	(54,285)	(20,813)
	92,016	49,345
Office equipment - at cost	2,646	165
Less: Accumulated depreciation	(710)	(17)
	1,936	148
	211,785	65,381

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 2016	11,831	38,054	-	49,885
Additions	5,459	23,398	165	29,022
Depreciation expense	(1,402)	(12,107)	(17)	(13,526)
Balance at 30 June 2017	15,888	49,345	148	65,381
Additions	111,553	77,679	2,481	191,713
Depreciation expense	(9,608)	(35,008)	(693)	(45,309)
Balance at 30 June 2018	117,833	92,016	1,936	211,785

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 straight-line 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

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

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 12. Non-current assets - capitalised technology costs

	2018 $	2017 $
Capitalised technology costs	2,671,438	2,080,461
Less: Accumulated amortisation	(469,712)	-
	2,201,726	2,080,461

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 $
Balance at 1 July 2016	1,774,942
Additions	521,640
Research and development tax offset	(216,121)
Balance at 30 June 2017	2,080,461
Additions	1,076,313
Research and development tax offset	(485,336)
Amortisation expense	(469,712)
Balance at 30 June 2018	2,201,726

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 estimated useful life of five (2017: nil) years.

Note 13. Current liabilities - trade and other payables

	2018 $	2017 $
Trade payables	926,054	640,544
Other payables	166,080	118,938
	1,092,134	759,482

Refer to note 18 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 14. Current liabilities - short-term loan

	2018 $	2017 $
Loan - Research and development advance	-	424,728

Note 15. Equity - issued capital

	2018 Shares	2017 Shares	2018 $	2017 $
Ordinary shares - fully paid	75,575,283	44,870,772	15,902,025	5,694,278

Movements in ordinary share capital

Details	Date	Shares	Issue price	$
Balance	1 July 2016	44,870,772		5,694,278
Balance	30 June 2017	44,870,772		5,694,278
Issue of shares to new investors	18 August 2017	4,463,292	$0.320	1,408,796
Issue of shares to new investors	18 August 2017	18,119,904	$0.420	7,624,309
Issue of shares to employees on exercise of employee options	18 December 2017	4,798,512		-
Issue of shares to promoters	21 December 2017	247,520	$0.500	123,760
Issue of shares under Initial Public Offer	17 January 2018	3,000,000	$0.500	1,500,000
Issue of shares to employees	28 May 2018	75,283	$0.400	30,113
Share issue costs				(479,231)
Balance	30 June 2018	75,575,283		15,902,025

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

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 Company would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current Company's share price at the time of the investment. The Company is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The capital risk management policy remains unchanged from the 2017 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 16. Equity - share-based payments reserve

	2018 $	2017 $
Share-based payments reserve	1,724,634	592,548

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 17. Equity - dividends

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

Note 18. 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 of Directors ('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 risk is measured using sensitivity analysis and cash flow forecasting.

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

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

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.

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 guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Company does not hold any collateral.

The Company is not exposed to any significant credit risk.

Note 18. Financial instruments (continued)

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.

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.

2018	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	-	926,054	-	-	-	926,054
Other payables	-	166,080	-	-	-	166,080
Total non-derivatives		1,092,134	-	-	-	1,092,134

2017	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	-	640,544	-	-	-	640,544
Other payables	-	118,938	-	-	-	118,938
Interest-bearing - fixed rate						
Other loans	18.00%	424,728	-	-	-	424,728
Convertible notes payable	4.00%	-	1,240,162	-	-	1,240,162
Total non-derivatives		1,184,210	1,240,162	-	-	2,424,372

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

Note 19. Fair value measurement

Fair value hierarchy
The following tables detail the Company's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: Unobservable inputs for the asset or liability

2017	Level 1 $	Level 2 $	Level 3 $	Total $
Liabilities				
Convertible notes	-	-	1,235,385	1,235,385
Total liabilities	-	-	1,235,385	1,235,385

There were no transfers between levels during the financial year.

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.

Level 3 assets and liabilities
Movements in level 3 assets and liabilities during the current and previous financial year are set out below:

	Convertible note $
Balance at 1 July 2016	-
Additions	1,235,385
Balance at 30 June 2017	1,235,385
Disposals	(1,235,385)
Balance at 30 June 2018	-

Accounting policy for fair value measurement
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

Note 19. Fair value measurement (continued)

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Note 20. 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:

	2018 $	2017 $
Short-term employee benefits	531,861	323,012
Post-employment benefits	47,237	25,846
Share-based payments	848,981	8,083
	1,428,079	356,941

Note 21. 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:

	2018 $	2017 $
Audit services - RSM Australia Partners		
Audit or review of the financial statements	29,000	19,980
Other services - RSM Australia Partners		
Other services	25,115	12,500
	54,115	32,480

Note 22. Contingent liabilities

The Company has given bank guarantees as at 30 June 2018 of $323,890 (2017: $37,530) to various landlords.

Note 23. Commitments

	2018 $	2017 $
Lease commitments - operating		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	395,742	197,215
One to five years	707,005	1,108,666
	1,102,747	1,305,881

Operating lease commitments includes contracted amounts for lease of office premises expiring within two to three years with, in some cases, options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

Note 23. Commitments (continued)

Accounting policy for leases
The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

A distinction is made between finance leases, which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to the ownership of leased assets, and operating leases, under which the lessor effectively retains substantially all such risks and benefits.

Finance leases are capitalised. A lease asset and liability are established at the fair value of the leased assets, or if lower, the present value of minimum lease payments. Lease payments are allocated between the principal component of the lease liability and the finance costs, so as to achieve a constant rate of interest on the remaining balance of the liability.

Leased assets acquired under a finance lease are depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

Operating lease payments, net of any incentives received from the lessor, are charged to profit or loss on a straight-line basis over the term of the lease.

Note 24. Related party transactions

Key management personnel
Disclosures relating to key management personnel are set out in note 20 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.

Receivable from and payable to related parties
There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

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

Note 25. Reconciliation of loss after income tax to net cash used in operating activities

	2018 $	2017 $
Loss after income tax expense for the year	(5,762,692)	(2,296,594)
Adjustments for:		
Depreciation and amortisation	515,021	13,526
Share-based payments	1,162,199	180,770
Foreign exchange differences	22,139	(2,803)
Provision for bad debts	74,853	15,520
Change in operating assets and liabilities:		
Increase in trade and other receivables	(467,653)	(73,313)
Increase in prepayments	(74,956)	-
Increase in trade and other payables	472,613	666,062
Increase in employee benefits	78,905	46,090
Net cash used in operating activities	(3,979,571)	(1,450,742)

Note 26. Changes in liabilities arising from financing activities

	Loan - Research and development advance $	Convertible notes - liability component $	Total $
Balance at 1 July 2016	-	-	-
Net cash from financing activities	424,728	1,403,786	1,828,514
Convertible note - equity component	-	(168,400)	(168,400)
Other changes	-	(1)	(1)
Balance at 30 June 2017	424,728	1,235,385	1,660,113
Net cash used in financing activities	(424,728)	(1,403,785)	(1,828,513)
Convertible note - equity component	-	168,400	168,400
Balance at 30 June 2018	-	-	-

Note 27. Earnings per share

	2018 $	2017 $
Loss after income tax attributable to the owners of Jayride Group Limited	(5,762,692)	(2,296,594)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	68,541,091	44,870,772
Weighted average number of ordinary shares used in calculating diluted earnings per share	68,541,091	44,870,772
	Cents	**Cents**
Basic earnings per share	(8.41)	(5.12)
Diluted earnings per share	(8.41)	(5.12)

16,334,738 (2017: 221,514) options have been excluded from the above calculation as their inclusion would be anti-dilutive.

Accounting policy for earnings per share

Basic earnings per share
Basic earnings 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 earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings 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 28. Share-based payments

Pre-IPO ESOP Options

Prior to the IPO the Company had an Options plan in place designed to attract, retain and motivate high performing team members as well as align shareholder and team member interests.

During year ended 30 June 2018, prior to the IPO, as part of the Company's standard remuneration policies, an allocation of 77,400 Options were issued to team members, in addition, as part of the Company's preparation for IPO an allocation of 108,018 Options were issued as a one-off transaction.

Included in the 2018 allocations were 69,393 Options that were conditional on achieving milestones. During the period 30,842 options were earned. The fair value of each options was $5.04. The expense recognised in the period for these options was $155,727.

Set out below is a summary of the options issued with milestones.

Milestones	Options allocation No.	Options earned No.	Options lapsed No.	Fair value
Initial Public offering	30,842	30,842	-	$5.0493
Revenue Growth	18,226	-	18,226	$5.0493
Profitability	20,325	-	20,325	$5.0493
	69,393	30,842	38,551	$5.0493

On 27 October 2017, the Company held an EGM where a resolution was passed to split the shares of the Company on a 12 to 1 basis. The Option count held by each option holder was also split on the same 12 to 1 basis. At the same EGM, a new Employee Share Options Plan was approved by shareholders to take effect from the IPO.

Prior to the IPO, and prior to the new Employee Share Options Plan taking effect, the previous Pre-IPO Options plan was terminated. The purpose of terminating the pre-IPO Options Plan, and implementing the new Employee Share Options Plan was to ensure the plan was operated in compliance with the ASX Listing Rules. Upon termination of the plan 19,450 previously issued options were forfeited. In accordance with AASB2 the future share-based payments associated with these options, amounting to $91,518 was recognised in the current period as a share-based payment.

As a result of the termination of the Pre-IPO Employee Option Plan, the Company allowed the early exercise of 4,798,512 Options (which totalled 399,876 Options prior to the 12 to 1 split). These Pre-IPO Options which were all converted into Shares on 18 December 2017. In accordance with Australian Accounting Standards the future share-based payments associated with these Options was recognised immediately as an expense in profit or loss.

In conjunction with the exercise of the Pre-IPO Employee Options, the Company entered into a limited recourse loan arrangement with each Option holder to fund the Option holder's payment of the Option strike price. The total amount of all limited recourse loans is $390,148 (including $178,026 in loans to directors). The loan is not recognised as an asset, but treated instead as a share-based payment similar to Options, and the Option reserve is not transferred to issued capital.

The 4,798,512 Shares issued upon conversion of the Pre-IPO Options are subject to holding locks preventing their transfer until three years has elapsed from the date of the issue of the Pre-IPO Option which was converted.

Following the exercise of the Pre-IPO Options on 18 December 2017, there are no Pre-IPO Options currently on issue.

Note 28. Share-based payments (continued)

Set out below is a summary of the Pre-IPO Options on issue at the commencement of FY18 as well all movements that occurring during the course of the year:

Year of issue of options	Expiry date	Average exercise price $	Balance at 1 July 2017 No.	New issues of options during the year No.	Exercised during the year No.	Expired during the year No.	Balance at 30 June 2018 No.
FY16	No Expiry	0.6596	171,964	-	(168,805)	(3,159)	-
FY17	No Expiry	0.5529	49,549	-	(49,549)	-	-
FY18	No Expiry	1.4566	-	236,364	(181,522)	(54,842)	-
		0.9757	221,513	236,364	(399,876)	(58,001)	-

The valuation model inputs used to determine the fair value of the exercised options are as follows:

Year of issue of options	Expiry term	Share price at issue date	Exercise price	Expected volatility %	Dividend yield %	Risk free interest rate %	Fair value at issue date
FY16	99	$2.501	$0.6596	75%	-	3.66%	$2.501
FY17	99	$3.081	$0.5529	75%	-	3.66%	$3.081
FY18	99	$5.605	$1.4566	75%	-	3.66%	$5.605

Employee Share Scheme
After listing the Company established an Employee Share Scheme that incentivises employees to become shareholders of the Company.

On 28 May 2018, 75,283 shares were issued to employees through this scheme. The details of this transaction are listed below.

Directors Options
Prior to listing, the Company agreed to issue all non-executive directors 300,000 Options exercisable at $0.50 expiring 30 June 2021 subject to shareholder approval at the first meeting of the Company's shareholders following listing. The Company has not recognised the issue of these options to directors in this Annual Report as their issue remain subject to shareholder approval. If shareholder approval is not received, the Company will not issue the options to directors nor pay cash in lieu of the options.

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 either the Binomial or Black-Scholes 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.

Note 28. Share-based payments (continued)

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 29. Events after the reporting period

On 18 August 2018, 1,613,312 ordinary shares were released from ASX imposed escrow.

On 31 August 2018, the Company issued 86,628 ordinary shares to employees as payment for incentives earned through outstanding performance in the final quarter of FY18.

On 31 August 2018, the Company issued 2,378,198 options under the Employee Share Option Plan ('ESOP') to senior leadership of the Company. The ESOP options have been issued with an exercise price of $0.533, vesting over 4 years and expire on 30 June 2023. If all ESOP Options issued are exercised into shares, the Company will receive $1,268,624.

No other matter or circumstance has arisen since 30 June 2018 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 2018 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
Managing Director

Andrey Shirben
Chairman

28 September 2018
Sydney

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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 30June 2018, 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 2018 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. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key Audit Matters (Continued.)

Key Audit Matter	How our audit addressed this matter
Impairment of Intangibles Refer to Note 12 in the financial statements	
Jayride have capitalised a total of $2.2m in relation to the development of their technology. We identified this area as a Key Audit Matter due to the size of the balance and the existence of an impairment indicator, namely the current year trading loss The directors' assessment of the 'value in use' of the cash generating unit ("CGU") involves judgements about the future underlying cash flows of the business and the discount rates applied to them. For the year ended 30 June 2018 management have performed an impairment assessment over the intangibles balance by: • calculating the value in use of the company using a discounted cash flow model. This model used cash flows (revenues, expenses and capital expenditure) for 5 years, with a terminal growth rate applied to the 5th year. These cash flows were then discounted to net present value using the Company's weighted average cost of capital (WACC); and • comparing the resulting value in use of these net cash flows to the respective book value of the relative net assets	Our audit procedures in relation to managements' impairment assessment involved: • Assessing the valuation methodology used; • Challenging the reasonableness of key assumptions including cash flow projections, discount rates, and sensitivities used; • Checking the mathematical accuracy of the impairment calculations and reconciling input data to supporting evidence, such as approved budgets and considering the reasonableness of these budgets; and • Assessing the value of the intangible verses the market capitalisation of the company to ensure that there is sufficient headroom to support the amount capitalised on the balance sheet.

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 2018, 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.

RSM

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 2018.

In our opinion, the Remuneration Report of Jayride Group Limited, for the year ended 30 June 2018, complies with section 300A of the Corporations Act 2001.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

RSM

RSM AUSTRALIA PARTNERS

J S CROALL
Partner

Dated: 28 September 2018
Melbourne, Victoria

The shareholder information set out below was applicable as at 18 September 2018.

Distribution of equitable securities

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

	Number of holders of ordinary shares
1 to 1,000	7
1,001 to 5,000	251
5,001 to 10,000	99
10,001 to 100,000	95
100,001 and over	56
	508
Holding less than a marketable parcel	9

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
RODNEY BISHOP	10,888,512	14.39
ZHONGYUAN LIN	10,295,048	13.61
FOLLOW THE SEED AUSTRALIA P/L (FOLLOW THE SEED ILP0000146)	8,463,612	11.19
JONATHAN BEARE	6,043,464	7.99
PROTO INVESTMENT PARTNERS PTY LTD (THE SIDECAR FUND)	6,021,072	7.96
ARTESIAN AFOF PTY LTD (ARTESIAN HOSTPLUS VC 1 ILP)	4,753,044	6.28
SYD VENTURES INC	2,171,488	2.87
MEGA MAC PTY LTD (MEGA A/C)	2,160,428	2.86
GEOULA PTY LTD (ZAETZ FAMILY A/C)	1,338,258	1.77
RIMON CAPITAL PTY LTD	1,188,264	1.57
VINKO GRGIC	1,159,003	1.53
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	1,053,209	1.39
ELYUMA ENTERPRISES PTY LTD (ELYUMA FAMILY A/C)	1,014,840	1.34
GEOULA PTY LIMITED (ZAETZ FAMILY A/C)	903,408	1.19
LEISHI LUO	796,044	1.05
RIMON INVESTMENT FUND PTY LTD (RIMON INVESTMENTS UNIT A/C)	739,800	0.98
SAMUEL BROCK SAXTON	679,095	0.90
MR GUY HEDLEY	633,662	0.84
MRS HUIZHEN GONG	599,461	0.79
BELWIP PTY LIMITED (JAYWIP UNIT A/C)	577,284	0.76
	61,478,996	81.26

Unquoted equity securities

	Number on issue	Number of holders
Options over ordinary shares issued - granted on 18 December 2017	16,334,738	60
Options over ordinary shares issued - granted on 31 August 2018	2,378,198	7

Substantial holders

Substantial holders in the Company are set out below:

	Ordinary shares Number held	% of total shares issued
RODNEY BISHOP	10,888,512	14.39
ZHONGYUAN LIN	10,295,048	13.61
FOLLOW THE SEED AUSTRALIA P/L (FOLLOW THE SEED ILP0000146)	8,463,612	11.19
JONATHAN BEARE	6,043,464	7.99
PROTO INVESTMENT PARTNERS PTY LTD (THE SIDECAR FUND)	6,021,072	7.96
ARTESIAN AFOF PTY LTD (ARTESIAN HOSTPLUS VC 1 ILP)	4,753,044	6.28

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

Class	Expiry date	Number of shares
Options over ordinary shares	31 March 2018 (escrowed until 18 December 2018)	9,929,329
	31 March 2018 (escrowed until 29 January 2020)	6,405,409
Fully paid ordinary shares	29 January 2020	22,184,259
		38,518,997

ASX Corporate Governance Council's Corporate Governance Principles and Recommendations

September 2018 Revision

PRINCIPAL	RESPONSE
PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT	
Recommendation 1.1	
The entity should have and disclose a charter, which sets out the respective roles and responsibilities of the board, the chair and management; and includes a description of those matters expressly reserved to the board and those delegated to management.	Complies. 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. The Board Charter can be viewed on the Company's website www.jayride.com.
Recommendation 1.2	
The entity should undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director. The entity should provide security holders with all material information relevant to a decision on whether or not to elect or re-elect a director.	Complies. The Company conducts background and reference checks for all Directors. 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	
The entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	Complies. All Directors have written agreements setting out the terms of their appointment.
Recommendation 1.4	
The company secretary of the entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	Complies. 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	
The entity should establish a policy concerning diversity and disclose the policy or a summary of that policy. The policy should include requirements for the board to establish measurable objectives for achieving gender diversity for the board to assess annually both the objectives and progress in achieving them.	Complies. The Board has established a Diversity Policy. The Diversity Policy can be viewed on the Company's website www.jayride.com.
The entity should disclose in its annual report the measurable objectives for achieving gender diversity set by the board in accordance with the diversity policy and progress towards achieving them.	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 FY18 Annual Report. The Company will consider providing this disclosure in future Annual Reports.
The entity should disclose in its annual report the proportion of women employees in the whole organisation, women in senior executive positions and women on the board.	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 FY18 Annual Report. The Company will consider providing this disclosure in future Annual Reports.

Recommendation 1.6	
The entity should have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors and disclose in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	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 has the remit to conduct the reviews recommended under its Charter. The Remuneration and Nomination Committee intends to do so in FY19. Accordingly, the Company will present further details of this review in the FY19 Annual Report.
Recommendation 1.7	
The entity should have and disclose a process for periodically evaluating the performance of its senior executives and disclose in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process	Complies. Senior executive key performance indicators are set annually, with performance appraised by the Board, and reviewed in detail by the Board. The internal review is to be conducted on an annual basis and if deemed necessary an independent third party will facilitate this internal review. However, as the Company was only admitted to the Official List of the ASX in January 2018, the Company has not yet conducted this review for FY18. The Company intends to do so in accordance with the Remuneration and Nomination Committee Charter and will present any material findings in the FY19 Annual Report.
PRINCIPLE 2: STRUCTURE THE BOARD TO ADD VALUE	
Recommendation 2.1	
The entity's board should have a nomination committee, which has at least three members, a majority of whom are independent directors and is chaired by an independent director.	Complies. The Board has established a Remuneration and Nomination Committee. This Committee is chaired by Jamila Gordon, a non-executive independent director. The Company's independent non-executive Chairman, and the Managing Director are members of the Remuneration and Nomination Committee. Accordingly, a majority of the members are independent. The Company's Head of People is also a non-voting member of the Committee in an ex-officio capacity.
The entity should disclose the charter of the committee, the members of the committee and 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.	Complies. This information is set out in the Company's Annual Report.
If the entity does not have a nomination committee, it should 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, experience, independence and knowledge of the entity to enable it to discharge its duties and responsibilities effectively.	N/A. The Company has established a Remuneration and Nomination Committee.
Recommendation 2.2	
The entity should have and disclose a board skill matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	Does not yet comply. 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	
The entity should disclose the names of the directors considered by the board to be independent directors and the length of service of each director.	Complies.
The entity should disclose if a director has an interest, position, association or relationship of the type described in Box 2.3 of the ASX Corporate Governance Principles and Recommendation (3rd Edition), but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion.	The independence of directors and the length of service of each director will be set out in the Company's annual report. 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.
Recommendation 2.4	
A majority of the board of the entity should be independent directors.	Complies.
Recommendation 2.5	
The chair of the board of the entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	Complies The Chair of the Board is an independent director, who is not the CEO of the entity.
Recommendation 2.6	
The entity should have a program for inducting new directors and providing appropriate professional development opportunities for continuing directors to develop and maintain the skills and knowledge needed to perform their role as a director effectively.	Partially complies. Currently the induction of new directors and plan for professional development is managed informally by the Remuneration and Nomination Committee. The Company intends to develop a formal program for inducting new directors and providing appropriate professional development opportunities.
PRINCIPLE 3: ACT ETHICALLY AND RESPONSIBLY	
Recommendation 3.1	
The entity should establish a code of conduct and disclose the code or a summary of the code.	Complies. 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. The Code of Conduct can be viewed on the Company's website.

PRINCIPLE 4: SAFEGUARD INTEGRITY IN FINANCIAL REPORTING	
Recommendation 4.1	
The board of the entity should have an audit committee, which consists only of non-executive directors, a majority of which are independent directors and is chaired by an independent chair, who is not chair of the board. The entity should disclose the charter of the committee, the members of the committee and 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.	Partially complies. The Board has established an Audit and Risk Committee. The Committee is chaired by an independent non-executive director, Sam Saxton. The Board has confirmed that in their opinion, Sam Saxton has sufficient qualifications and experience in finance and business management to fulfil this role. Additionally, the Committee includes one non-executive independent director and the Managing Director (who is not an independent director). The Chief Financial Officer is a non-voting member of this Committee in an ex-officio capacity. The Board will review the structure of this Committee and will make changes over the next period, and will make relevant disclosure in the Company's FY19 Annual Report. The Board has established an Audit and Risk Committee Charter which can be viewed on the Company's website. The Company has disclosed 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.
Recommendation 4.2	
The board should disclose whether it has, before approving the entity's financial statements for a financial period received assurance from the chief executive officer (or equivalent) and the chief financial officer (or equivalent) a declaration that 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 in all material respects in relation to financial reporting risks.	Complies. The Board requires the Managing Director, who is also the Chief Executive Officer, and also 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	
When the entity has an AGM it should ensure that its external auditor attends the AGM and is available to answer questions from security holders relevant to the audit.	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	
The entity should establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at senior executive level for that compliance and disclosed those policies or a summary of those policies.	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.

PRINCIPLE 6: RESPECT THE RIGHTS OF SHAREHOLDERS	
Recommendation 6.1	
The 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	
The entity should design and implement an investor relations program to facilitate effective two-way communication with shareholders.	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	
The entity should disclose the policies and processes it has in place to facilitate and encourage participation at general meetings.	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 give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	Complies. The Company has provided 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 the entity should have a committee or committees to oversee risk each of which has at least three members, a majority of whom are independent directors and is chaired by an independent director. The entity should disclose the charter of the committee, the members of the committee and 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.	Complies. The Board has established an Audit and Risk Committee. The Committee is chaired by an independent non-executive director, Sam Saxton. The Board has confirmed that in their opinion, Sam Saxton has sufficient qualifications and experience in finance and business management to fulfil this role. The Committee also includes one non-executive independent director and the Managing Director (who is not an independent director). The Chief Financial Officer, whose responsibilities include risk management, is a non-voting member of this Committee in an ex-officio capacity. Details of the number of times the committee met throughout the period and the individual attendances of the members at those meetings in FY18 are set out in the Annual Report.

Recommendation 7.2	
The board or board committee should review the entity's risk management framework with management at least annually to satisfy it that it continues to be sound, to determine whether there have been any changes in the material business risks the entity faces and to ensure that they remain within the risk appetite set by the board.	Partially complies. The Board has established an Audit and Risk Committee, however as the Company was only admitted to the Official List of the ASX in January 2018, the Committee has not yet conducted this review in depth. The Committee will conduct this review and disclose this in future Annual Reports.
The entity should also disclose in relation to each reporting period, whether such a review has taken place.	Partially complies. The Board determines the Company's "risk profile" and is responsible for overseeing and approving risk management strategy and policies, internal compliance and internal control. The review of this "risk profile" is within the remit of the Audit and Risk Committee. As the Company was only admitted to the Official List of the ASX in January 2018, the Committee has not yet conducted this review in depth. The Committee will conduct this review and disclose this in future Annual Reports.
Recommendation 7.3	
The entity should disclose if it has an internal audit function, how the function is structured and what role it performs. If the entity does not have an internal audit function, the entity should disclose that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	Partially compiles. The Board has established an Audit and Risk Committee. The conduct of an internal audit is within its remit. The details of the Committee's operation is disclosed in the Audit and Risk Committee Charter available on the Company's website. The Company will disclose in future Annual Reports the details of any internal audit that is conducted by the Committee.
Recommendation 7.4	
The entity should disclose whether, and if so how, it has regard to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	Partially complies. 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 FY18. 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 should establish a remuneration committee, which has at least three members, a majority of whom are independent directors and is chaired by an independent director.	Complies. The Board has established a Remuneration and Nomination Committee. This Committee is chaired by Jamila Gordon, a non-executive independent director. The Company's independent non-executive Chairman, and the Managing Director are members of the Remuneration and Nomination Committee. Accordingly, a majority of the members are independent.

If the entity does not have a remuneration committee, the entity should 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.	N/A. The Board has established a Remuneration and Nomination Committee.
Recommendation 8.2	
The 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 and ensure that the different roles and responsibilities of non-executive directors compared to executive directors and other senior executives are reflected in the level and composition of their remuneration.	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. The Remuneration and Nomination Committee will conduct a review of directors' remuneration and intends to report any findings in future Annual Reports. The Remuneration and Nomination Committee Charter can be viewed on the Company's website.
Recommendation 8.3	
If the entity has an equity-based remuneration scheme, the entity should 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 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.

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