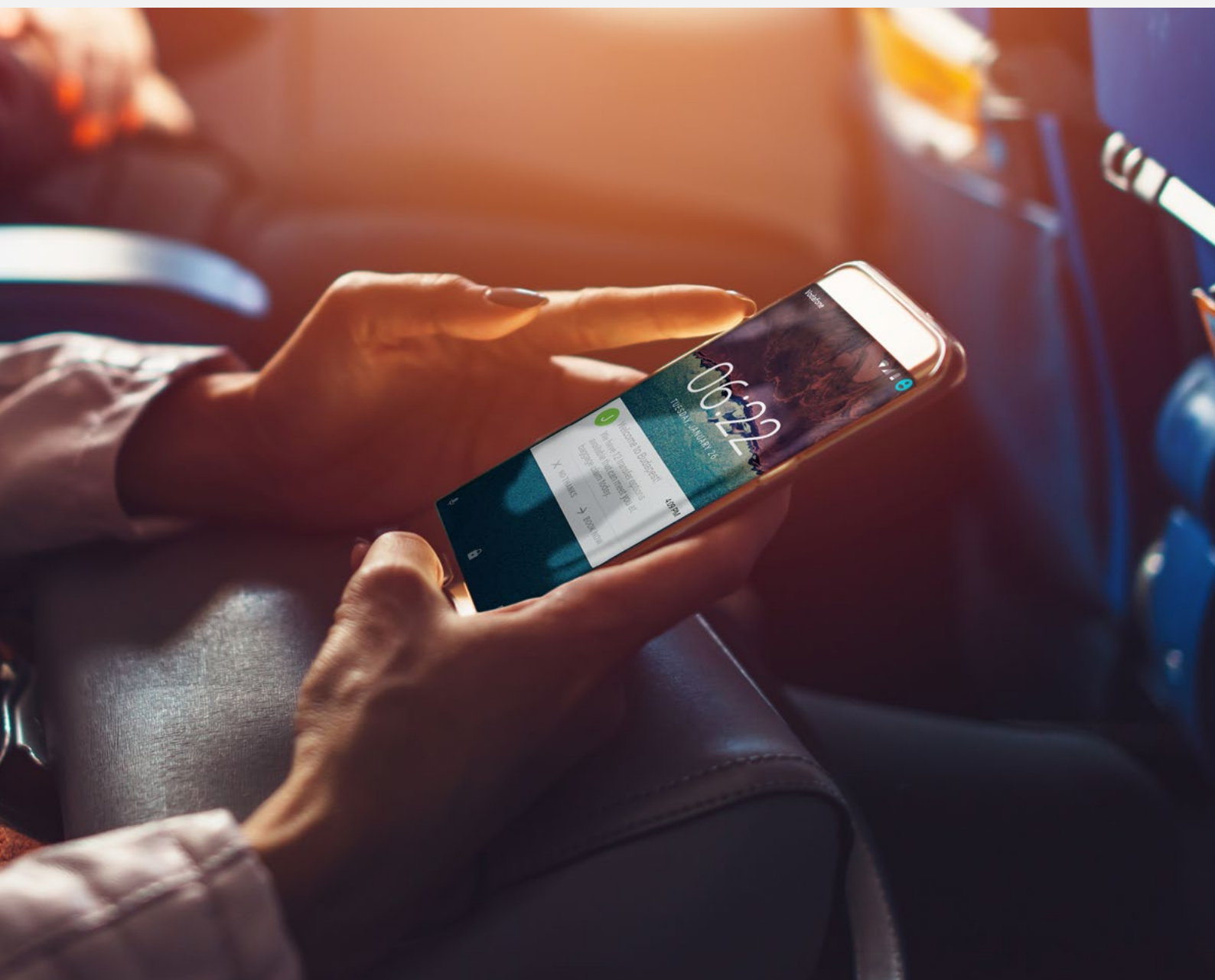




FY19 PRELIMINARY FINAL REPORT AND APPENDIX 4E

For the FY19 financial year ended 30 June 2019

Lodged with the ASX under listing Rule 4.3A. Jayride Group Limited ABN 49 155 285 528





1. Company details

Name of entity:	Jayride Group Limited
ABN:	49 155 285 528
Reporting period:	For the year ended 30 June 2019
Previous period:	For the year ended 30 June 2018

2. Results for announcement to the market

In the current year, the Company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for annual reporting periods commencing on or after 1 January 2018.

The adoption of other revised standards and Interpretations has no material impact to the financial position or performance of the Company in either the current or prior year.

			\$
Revenue from net commissions and fees booked	up	71.4% to	3,280,500
Total earnings from ordinary activities	up	55.9% to	3,822,364
Loss from ordinary activities after tax attributable to the owners of Jayride Group Limited	up	42.3% to	(8,201,109)
Loss for the year attributable to the owners of Jayride Group Limited	up	42.3% to	(8,201,109)

Dividends

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

Comments

The loss for the Company after providing for income tax amounted to \$8,201,109 (30 June 2018: \$5,762,692). Commentary on the results for the period is included in the Investor Presentation attached.

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>2.15</u>	<u>8.09</u>

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. Dividends

Current period

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

Previous period

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

7. Dividend reinvestment plans

Not applicable.

8. Details of associates and joint venture entities

Not applicable.

9. Foreign entities

Details of origin of accounting standards used in compiling the report:

Not applicable.

10. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements are in the process of being audited and an unqualified opinion is expected to be issued.

11. Attachments

Details of attachments (if any):

The Preliminary Financial Report of Jayride Group Limited for the year ended 30 June 2019 is attached.

12. Signed

Signed _____

Date: 29 August 2019

Rod Bishop
Managing Director
Sydney



Jayride Group Limited

ABN 49 155 285 528

Preliminary Financial Report - 30 June 2019

Jayride Group Limited
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30 June 2019



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Jayride Group Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2019



	Note	2019 \$	2018 \$
Revenue			
Net commission and fees booked		3,280,500	1,913,544
Interest revenue calculated using the effective interest method		9,801	39,524
Other income		532,063	497,992
Total revenue		<u>3,822,364</u>	<u>2,451,060</u>
Operational costs			
Advertising and marketing costs		(2,241,473)	(1,413,195)
Employee and contractor costs		(1,634,782)	(989,557)
Other operating costs		(1,541,848)	(943,573)
Total operational costs		<u>(5,418,103)</u>	<u>(3,346,325)</u>
Growth and corporate costs			
Engineering costs not capitalised		(359,901)	(239,040)
Employee and contractor costs		(2,027,210)	(1,924,840)
Share-based payments expense		(1,901,417)	(1,162,198)
Other growth costs		(690,800)	(570,348)
Corporate costs		(811,763)	(432,046)
Total growth and corporate costs		<u>(5,791,091)</u>	<u>(4,328,472)</u>
Non-operating costs			
Depreciation and amortisation		(680,996)	(515,021)
Currency movements		(21,238)	(18,139)
Finance costs		(112,045)	(5,795)
Total non-operating costs		<u>(814,279)</u>	<u>(538,955)</u>
Loss before income tax expense		(8,201,109)	(5,762,692)
Income tax expense		-	-
Loss after income tax expense for the year attributable to the owners of Jayride Group Limited		(8,201,109)	(5,762,692)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the owners of Jayride Group Limited		<u>(8,201,109)</u>	<u>(5,762,692)</u>
		Cents	Cents
Basic earnings per share	7	(10.48)	(8.41)
Diluted earnings per share	7	(10.48)	(8.41)

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 2019



	Note	2019 \$	2018 \$
Assets			
Current assets			
Cash and cash equivalents		1,446,031	3,560,216
Trade and other receivables	1	877,842	628,080
Goods and services tax receivable		46,775	31,877
Research and development receivable		958,871	853,544
Prepayments		46,934	74,956
Total current assets		<u>3,376,453</u>	<u>5,148,673</u>
Non-current assets			
Deposits and bank guarantees		323,890	323,890
Plant and equipment	2	203,356	211,785
Capitalised technology costs	3	2,415,348	2,201,726
Total non-current assets		<u>2,942,594</u>	<u>2,737,401</u>
Total assets		<u>6,319,047</u>	<u>7,886,074</u>
Liabilities			
Current liabilities			
Trade and other payables	4	1,874,184	1,092,134
Contract liabilities		38,143	-
Employee benefits		175,623	140,278
Future transport payments		849,852	498,834
Total current liabilities		<u>2,937,802</u>	<u>1,731,246</u>
Non-current liabilities			
Borrowings	5	1,572,914	-
Employee benefits		52,890	44,530
Total non-current liabilities		<u>1,625,804</u>	<u>44,530</u>
Total liabilities		<u>4,563,606</u>	<u>1,775,776</u>
Net assets		<u>1,755,441</u>	<u>6,110,298</u>
Equity			
Issued capital	6	18,360,858	15,902,025
Reserves		3,146,680	1,724,634
Accumulated losses		<u>(19,752,097)</u>	<u>(11,516,361)</u>
Total equity		<u>1,755,441</u>	<u>6,110,298</u>

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 2019



	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2017	5,694,278	760,948	(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)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (note 6)	10,207,747	-	-	10,207,747
Share-based payments	-	1,132,086	-	1,132,086
Convertible notes issued	-	(168,400)	-	(168,400)
Balance at 30 June 2018	<u>15,902,025</u>	<u>1,724,634</u>	<u>(11,516,361)</u>	<u>6,110,298</u>
	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2018	15,902,025	1,724,634	(11,516,361)	6,110,298
Adjustment for change in accounting policy	-	-	(34,627)	(34,627)
Balance at 1 July 2018 - restated	15,902,025	1,724,634	(11,550,988)	6,075,671
Loss after income tax expense for the year	-	-	(8,201,109)	(8,201,109)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(8,201,109)	(8,201,109)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (note 6)	1,612,375	-	-	1,612,375
Share-based payments (shares)	846,458	281,887	-	1,128,345
Share-based payments (options)	-	773,073	-	773,073
Share-based payments (warrants)	-	367,086	-	367,086
Balance at 30 June 2019	<u>18,360,858</u>	<u>3,146,680</u>	<u>(19,752,097)</u>	<u>1,755,441</u>

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

Jayride Group Limited
Statement of cash flows
For the year ended 30 June 2019



	Note	2019 \$	2018 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		3,382,928	1,991,342
Payments to suppliers and employees (inclusive of GST)		(8,136,326)	(6,490,066)
Grants received		530,105	485,424
Interest received		10,654	39,524
Interest and other finance costs paid		(18,101)	(5,795)
Net cash used in operating activities		<u>(4,230,740)</u>	<u>(3,979,571)</u>
Cash flows from investing activities			
Payments for plant and equipment	2	(59,629)	(191,713)
Payments for intangibles	3	(1,321,021)	(1,076,312)
Payments for security deposits		-	(286,360)
Proceeds from disposal of property, plant and equipment		6,541	-
Net cash used in investing activities		<u>(1,374,109)</u>	<u>(1,554,385)</u>
Cash flows from financing activities			
Proceeds from issue of shares	6	1,707,975	10,533,104
Share issue transaction costs		(95,600)	(355,470)
Proceeds from borrowings		2,000,000	-
Loans to related parties		-	(1,828,513)
Transaction costs related to borrowings		(95,440)	-
Net cash from financing activities		<u>3,516,935</u>	<u>8,349,121</u>
Net (decrease)/increase in cash and cash equivalents		(2,087,914)	2,815,165
Cash and cash equivalents at the beginning of the financial year		3,560,216	767,190
Effects of exchange rate changes on cash and cash equivalents		(26,271)	(22,139)
Cash and cash equivalents at the end of the financial year		<u><u>1,446,031</u></u>	<u><u>3,560,216</u></u>

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



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Note 1. Current assets - trade and other receivables

	2019 \$	2018 \$
Trade receivables	897,800	686,009
Less: Allowance for expected credit losses (2018: Provision for impairment)	<u>(19,958)</u>	<u>(57,929)</u>
	<u>877,842</u>	<u>628,080</u>

Note 2. Non-current assets - plant and equipment

	2019 \$	2018 \$
Fixtures and fittings - at cost	173,161	129,036
Less: Accumulated depreciation	<u>(33,435)</u>	<u>(11,203)</u>
	<u>139,726</u>	<u>117,833</u>
Computer equipment - at cost	146,818	146,301
Less: Accumulated depreciation	<u>(84,358)</u>	<u>(54,285)</u>
	<u>62,460</u>	<u>92,016</u>
Office equipment - at cost	2,631	2,646
Less: Accumulated depreciation	<u>(1,461)</u>	<u>(710)</u>
	<u>1,170</u>	<u>1,936</u>
	<u>203,356</u>	<u>211,785</u>

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 2017	15,888	49,345	148	65,381
Additions	111,553	77,679	2,481	191,713
Depreciation expense	<u>(9,608)</u>	<u>(35,008)</u>	<u>(693)</u>	<u>(45,309)</u>
Balance at 30 June 2018	117,833	92,016	1,936	211,785
Additions	44,125	15,504	-	59,629
Disposals	-	(5,422)	(15)	(5,437)
Depreciation expense	<u>(22,232)</u>	<u>(39,638)</u>	<u>(751)</u>	<u>(62,621)</u>
Balance at 30 June 2019	<u>139,726</u>	<u>62,460</u>	<u>1,170</u>	<u>203,356</u>

Note 3. Non-current assets - capitalised technology costs

	2019 \$	2018 \$
Capitalised technology costs	3,503,434	2,671,438
Less: Accumulated amortisation	<u>(1,088,086)</u>	<u>(469,712)</u>
	<u>2,415,348</u>	<u>2,201,726</u>



Note 3. Non-current assets - capitalised technology costs (continued)

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 2017	2,080,461
Additions	1,076,313
Research and development tax offset	(485,336)
Amortisation expense	<u>(469,712)</u>
Balance at 30 June 2018	2,201,726
Additions	1,321,021
Research and development tax offset	(489,024)
Amortisation expense	<u>(618,375)</u>
Balance at 30 June 2019	<u><u>2,415,348</u></u>

Note 4. Current liabilities - trade and other payables

	2019 \$	2018 \$
Trade payables	1,289,951	926,054
Other payables	<u>584,233</u>	<u>166,080</u>
	<u><u>1,874,184</u></u>	<u><u>1,092,134</u></u>

Note 5. Non-current liabilities - borrowings

	2019 \$	2018 \$
Financing facility	<u>1,572,914</u>	<u><u>-</u></u>

Note 5. Non-current liabilities - borrowings (continued)

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

Amount	\$3,000,000 in two tranches, being one tranche of \$2,000,000 ('Initial Tranche') and a second optional tranche of \$1,000,000 (between 1 January 2020 and 30 June 2020) ('Second Tranche').
Term	36 months from the date of drawdown.
Interest rate	10.50% per annum
Warrants issued	The warrants associated with the \$2,000,000 Initial Tranche will have an exercise price which is the lower of a) \$0.553; or b) a 25% premium to the raise price of any future capital raise requiring extraordinary general meeting ('EGM') approval to increase shares on issue by greater than 15%.

The number of Initial Tranche warrants to be issued at the time of drawdown of the Initial Tranche will be 3,616,637 warrants, being \$2,000,000 divided by the exercise price of \$0.553.

In the instance that the Company elects to draw down the Second Tranche, the warrants associated with the \$1,000,000 Second Tranche will have an exercise price which is the lower of: a) 25% premium to the 30-day VWAP preceding drawdown of the Second Tranche; or b) a 25% premium to the raise price of any future capital raise requiring EGM approval to increase shares on issue by greater than 15%. The number of Second Tranche warrants to be issued will be \$1,000,000 divided by the exercise price.

Right to compel conversion	The Company may compel conversion of the Initial Tranche of 3,616,637 Warrants if the VWAP exceeds \$0.75 over a 30 day period.
Post conversion escrow	Ordinary shares resulting from the exercise of warrants will be escrowed for a period of 6 months post conversion.
Loan early redemption	The Company may redeem the loan early subject to standard commercial terms.

Note 6. Equity - issued capital

	2019 Shares	2018 Shares	2019 \$	2018 \$
Ordinary shares - fully paid	81,682,411	75,575,283	18,360,858	15,902,025
Ordinary shares - held in Employees' Trust	2,645,960	-	-	-
	<u>84,328,371</u>	<u>75,575,283</u>	<u>18,360,858</u>	<u>15,902,025</u>

Note 6. Equity - issued capital (continued)

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	1 July 2017	44,870,772		5,694,278
Issue of shares to new investors	18 August 2017	4,463,292	\$0.3200	1,408,796
Issue of shares to new investors	18 August 2017	18,119,904	\$0.4200	7,624,309
Issue of shares to employees on exercise of employee options	18 December 2017	4,798,512	\$0.0000	-
Issue of shares to promoters	21 December 2017	247,520	\$0.5000	123,760
Issue of shares under Initial Public Offer	17 January 2018	3,000,000	\$0.5000	1,500,000
Issue of shares to employees under Employee Share Scheme ('ESS')	28 May 2018	75,283	\$0.4000	30,113
Share issue costs		-	\$0.0000	(479,231)
Balance	30 June 2018	75,575,283		15,902,025
Issue of shares to employees	31 August 2018	86,628	\$0.4450	38,549
Issue of shares to employees under ESS	29 November 2018	478,683	\$0.4800	229,769
Issue of shares	3 January 2019	3,972,035	\$0.4300	1,707,975
Issue of shares to employees	24 January 2019	215,742	\$0.4400	94,926
Issue of shares to employees under ESS	1 March 2019	767,851	\$0.4300	330,159
Issue of shares to employees under ESS	17 June 2019	301,551	\$0.2700	80,644
Issue of shares to employees under ESS	20 June 2019	284,638	\$0.2500	72,411
Share issue costs		-	\$0.0000	(95,600)
Balance	30 June 2019	<u>81,682,411</u>		<u>18,360,858</u>

Note 7. Earnings per share

	2019 \$	2018 \$
Loss after income tax attributable to the owners of Jayride Group Limited	<u>(8,201,109)</u>	<u>(5,762,692)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>78,238,903</u>	<u>68,541,091</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>78,238,903</u>	<u>68,541,091</u>
	Cents	Cents
Basic earnings per share	(10.48)	(8.41)
Diluted earnings per share	(10.48)	(8.41)

18,712,936 (2018: 16,334,738) options, 3,300,000 (2018: nil) performance options and 2,645,960 shares held in employees' Trust have been excluded from the above calculation as their inclusion would be anti-dilutive.



Jayride Group Limited

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