



For personal use only

**GetSwift Limited**

ABN 57 604 611 556

**Audited financial report  
for the year ended 30 June 2017**

**GetSwift Limited** ABN 57 604 611 556  
**Annual report - 30 June 2017**

**Contents**

	Page
Corporate directory	1
Directors' report	2
Auditor's Independence Declaration	14
Corporate Governance Statement	15
Financial statements	
Consolidated statement of profit or loss and other comprehensive income	19
Consolidated statement of financial position	20
Consolidated statement of cash flows	22
Note to the consolidated financial statements	23
Directors' declaration	48
Independent auditor's report to the members	49

For personal use only

# GetSwift Limited

## Corporate directory

### Directors

Mr Bane Hunter  
*Executive Chairman*

Mr Joel Macdonald  
*Managing Director*

### Principal registered office in Australia

Level 2, 6 Bridge Street  
Sydney NSW 2000  
Australia

### Share and debenture register

Computershare Investor Services Pty Limited  
Level 11, 172 St Gorges Tce  
Perth WA 6000

### Auditor

RSM Australia Partners  
Level 21, 55 Collins Street  
Melbourne VIC 3000

### Solicitors

Nexus Law Group  
Level 2, 6 Bridge Street  
Sydney NSW 2000

### Bankers

Commonwealth Bank of Australia  
Shop g.01, 325 Collins Street  
Melbourne VIC 3000

### Stock exchange listings

Australian Securities Exchange (Code: GSW)

### Website

[Getswift.co](http://Getswift.co)

For personal use only

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of GetSwift Limited (referred to hereafter as the 'Group') and the entities it controlled at the end of, or during, the year ended 30 June 2017.

### Directors and company secretary

The following persons held office as directors of GetSwift Limited during the financial year:

Mr Bane Hunter, Executive Chairman  
Mr Joel Macdonald, Managing Director  
Ms Jamila Gordon, Non-Executive Director (appointed 24 September 2016)  
Mr Brett Eagle, Non-Executive Director (appointed 24 September 2016)

The following person held office as company secretary of GetSwift Limited during the financial year:

Mr Scott Mison, Company Secretary (resigned 25 August 2017)\*

\* On 25 August 2017 the Group announced that Mr Scott Mison has resigned as Company Secretary and Mr Phillip Hains has been appointed as Company Secretary.

### Principal activities

During the financial year the principal continuing activities of the Group is logistics software.

### Dividends

No dividends have been paid or declared since the start of the financial year and the directors do not recommend the payment of a dividend in respect of the financial year.

### Review of operations

The Group hit 2 million aggregate transactions at the start of July 2017, as well as hitting its first performance milestone of 250,000+ transactions per month. The Group reached 2 million aggregate transactions at in less than five months compared to 17 months it took for its first 1 million transactions. Total revenue and other income for year is \$481,502. These numbers represent a 610% increase in transactions compared to FY 2016 and an increase in total revenue and other income of 298% compared to FY 2016 excluding the option fee in FY2016. Furthermore the company experienced a 103% increase in the number of verticals and an increase of 48% and 148% in the number of countries and cities it expanded to compared to FY2016. The increase was largely driven by the ongoing successful integration of GetSwift's SaaS technology into its customer's business operational systems, but does not represent even a fraction of the expected volumes the company see on its roadmap. In addition, the Group has signed and continues to sign up a very strong pipeline of clients that are eager to deploy the GetSwift platform. This pipeline is expected to continue to drive accelerated delivery volumes and revenues in the subsequent quarters, with expected quantum spikes manifested in 5-6 months.

GetSwift reported a cash balance of \$15.7 million for the year ended 30 June 2017, following the Group's successful \$5 million capital raising as part of its Initial Public Offer. This amount includes a \$3 million term deposit and the cash balance would be \$12.7 million excluding this amount. The Group received another \$13+ million in capitalisation after the EGM on 9 August 2017. Total capitalisation at that point would then be in excess of \$28 million.

The Group expects that cash outflows will increase in the next few quarters as it invests into additional key staff, further client acceleration in onboarding and integration, platform development, optimisation and increasing onboarding capacity of clients and the expansion into new verticals for the GetSwift's SaaS platform. These capital investments are expected to return a significant increase in market share, transaction counts, and revenues.

### Review of operations (continued)

The Group expects income and transactions to continue growing as the lag in client onboarding and scale is managed. Additional global client onboarding is underway to utilise GetSwift's SaaS solution to optimise delivery logistics. Notable clients signed for the year were Commonwealth Bank, FRF Couriers, Philip Morris International, Hungry Harvest, CITO Transport, Fresh Ventures (fruit at work), TuckerFox, Pizza Hut, Lone Star Texas, Mobi2Go, Crosstown Doughnuts, Little Caesars Pizza, Vietnammm (Takeaway.com group) among others continuing the strong yearly performance.

Organic non-enterprise client growth is continuing to show strong week on week growth. Additionally, the Group is expanding earlier and faster than expected into emerging markets notably Asia and South America. The Group is well positioned for continued growth in its key markets. The Company has now expanded into 71 verticals, 67 countries, and 576 cities. New markets are opening up organically notably in Asia, South America and the Middle East. The Group will be expanding its staffing presence in key markets, notably the Americas, Europe and to a minor degree Asia. This expansion will be moderate in terms of headcount, but significant in terms of capability to meet the expectations from clients that are of significant scale. The large multinationals have specific market timing requirements which the company will position itself to meet.

To continue this expansion, the company successfully raised \$24 million at a \$0.80 share price in a round that was strongly oversubscribed. The Group had approximately \$5 million in capital reserves at the time, which equated to the capital it had raised as part of its IPO on 9 December 2016. With the new capitalisation the Group expects to have approximately \$28+ million in capital reserves after all expenses for the transaction are factored in. With the capital reserves in place the Group has in fact de-risked itself for the foreseeable future, allowing it to provide a stable, solid corporate foundation for clients, investors and staff. This strategy will allow the Group to continue its strong growth while at the same providing to some of its large prospective and current international partners the evidence that it is capable of implementing a quantum increase in volume and supporting operational scale. The Group will explore potential acquisitions of competitors or aligned organizations if such a transaction would yield immediate results and shareholder value only.

The Group has an operational expansion requirement to be delivered in the next 5-6 months in order to be in a position to undertake a quantum leap in terms of scale and size of partnerships that are under consideration by large international clients. These clients have asked for the company to set up a larger localised project/product management teams in order to meet national and international timeline deployment requirements.

To conclude, the management team is extremely pleased with the rapid growth already experienced since the Group listed on the ASX on 9 December 2016. A strong pipeline of clients signed up to use GetSwift is continuing to progress through the on-boarding process, and are expected to directly drive transaction volumes and revenue as GetSwift technology becomes fully integrated and deployed. The company will continue focus on increasing its presence in multiple geographies and verticals while driving hard on both revenue and transaction counts. The Group expects to announce a number of strong named clients in the next 3-4 months. Some of the potential risks that the Group faces is an acquisition by prospective larger clients or tier one competitors prior to full growth capability has been realised. With that in mind the company expects the new FY2018 to bring a quantum and market defining increase in the company's position.

### Financial results and position

The Group reported a loss for the full-year ended 30 June 2017 of \$1,921,590 (2016: \$462,536). The loss is after fully expensing all research and development costs.

The Group's net assets increased by \$15,527,159 (2016: \$115,313). As at 30 June 2017 the Group had cash reserves of \$12,683,761 (2016: \$269,731). When considering the \$3,000,000 term deposit, the cash related assets are \$15,683,761.

### Significant changes in the state of affairs

There have been no significant changes in the state of affairs of the Group during the period.

#### Event since the end of the financial year

On 23 June 2017, the Group made a market announcement about its intention to issue 30,090,540 shares at \$0.80 per share in two-tranche equity placement, using the Group's existing placement capacity under ASX Listing Rule 7.1 of 13,809,451 shares with the additional capacity to remain subject to shareholder approval.

The first tranche of the capital placement was completed on 4 July 2017. The Group issued 13,808,932 ordinary shares at \$0.80 for a total consideration of \$11,047,147 to institutional and professional investors under the institutional placement announced on 23 June 2017. These shares have been fully paid for by the 30 June 2017. For the purposes of the current year's financial statements the cash proceeds have been classified as prepaid shares. This amount was recognised as part of the share capital on the date of issue of shares, 4 July 2017.

The completion of the second tranche of capital placement was announced on 16 August 2017. The Group has issued 16,281,608 shares at A\$0.80 per share to raise \$13,025,000. The issue was approved by shareholders at the shareholder meeting held on 9 August 2017.

The Group has also issued 8,000,000 options to directors as approved by shareholders at the shareholder meeting held on 9 August 2017. These options have been granted as follows:

- 5,000,000 options have been granted to Mr Bane Hunter, Executive Chairman, for no consideration;
- 1,000,000 options have been granted to Mr Joel Macdonald, Managing Director, for no consideration;
- 1,000,000 of options have been granted to Ms Jamila Gordon, Non-Executive Director, for no consideration;
- 1,000,000 of options have been granted to Mr Brett Eagle, Non-Executive Director, for no consideration.

These options have been issued in three tranches and will vest equally over 36 months. The options are exercisable at an average exercise price of \$1 per option and will expire in four years after the grant date.

No other matter or circumstance has arisen since 30 June 2017 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

#### Likely developments and expected results of operations

The likely developments in the Group's operations, to the extent that such matters can be discussed upon, are covered in the Review of operations of this annual report.

#### Environmental regulation

The Group is not affected by any significant environmental regulation in respect of its operations.

**Information on directors and company secretary**

<b>Mr Bane Hunter</b> <i>Executive Chairman</i>		
Experience and expertise	<p>Bane Hunter is a global executive with over 20 years' experience in media and financial services. Bane's experience includes Chief Product Officer at A+E Television Networks, Senior Executive Director at Conde Nast in New York, Foxtel Head of Information Services Program delivery in Sydney and Chief Project Officer at MTV/Viacom in New York. He developed the framework and coined the phrase "GEMS" - Growth, Execution, Monetization and Strategy, these being pillars of the new rapidly growing digital economy.</p> <p>As a leader and visionary in the digital product and monetization space with an eye on disruptive emerging technologies, Bane's other notable senior leadership roles include Head of Global Growth &amp; Strategy and advisor to a number of companies such as Cool Hunting, Travel Massive and Splitsville. In addition to his MBA degree, Bane holds PMP, SPL, ITIL and CSM certifications and is fluent in a number of languages. Uniquely positioned, Bane has worked extensively in Australia, the US and Europe, with additional high-level project work in Asia enabling him to be fully versed in the dynamics needed to seamlessly build high-growth profitable global organisations.</p>	
Other current directorships	None	
Former directorships in last 3 years	BlueChilli (President and Board Member), TheLoop (CEO)	
Special responsibilities	None	
Interests in shares and options	Interest in shares	6,714,554
	Interest in performance rights	14,817,073

<b>Mr Joel Macdonald</b> <i>Managing Director and Chief Executive Officer</i>		
Experience and expertise	<p>Joel Macdonald is an ex-professional AFL athlete with extensive commercial experience in product, growth and marketing. Joel has an extensive track record of innovating and disrupting the market with other distinguished companies. He co-founded one of Australia's first alcohol e-commerce platforms, Liquorun.com and was also a founder with on-demand logistics company, Distributed Logistics and hospitality payment platform Z wype.com. Joel's other entrepreneurial initiatives consisted of managing the US real estate investment company (American Real Estate Investments) and also completed a Bachelor of Business degree at Monash University whilst competing professionally in the AFL for 11 years. As a rising star in the new global economy Joel has taken his passion, commitment and discipline learnt as an athlete and stormed into the US market where he has made a profound impact among well-known leaders, influencers and organisations.</p>	
Other current directorships	None	
Former directorships in last 3 years	None	
Special responsibilities	None	



**Information on directors and company secretary (continued)**

Interests in shares and options	Interests in shares	36,750,284
	Interest in performance rights	14,817,073

**Ms Jamila Gordon** *Non-Executive Director*

Experience and expertise	<p>Jamila Gordon is a highly experienced global technology and digital executive. Jamila's previous experience includes roles as Group Chief Information Officer of Qantas Airways, Group Chief Information Officer at CIMIC (formerly Leighton Holdings) based in Sydney, IBM executive responsible for AXA Insurance's global private cloud transformation in Paris, and IBM executive responsible for ABN AMRO's Retail Banking (ex-Netherlands) and Private Client Banking (globally) IT in Amsterdam. Jamila brings an amazing set of talents, knowledge and experience to the executive team, complementing both the domestic and international capabilities of the organization's strategic and operational goals.</p>	
Other current directorships	None	
Former directorships in last 3 years	None	
Special responsibilities	None	
Interests in shares and options	Interests in shares	-
	Interest in performance rights	1,646,341

**Mr Brett Eagle** *Non-Executive Director*

Experience and expertise	<p>Brett is admitted as an attorney in New York, US and as a solicitor in New South Wales, Australia. Before moving back to Sydney, Brett worked for many years in New York, US, with Coudert Brothers LLP, a large, international law firm, conducting public and private offerings, both debt and equity. Prior to that Brett was based in Berlin, Germany with the same law firm.</p> <p>He has extensive experience providing top-level global and domestic legal services to emerging growth and mid-stage companies as well as to larger, publicly held multinational corporations.</p>	
Other current directorships	<ul style="list-style-type: none"> <li>• Director of Sentral Energy, Ltd., a U.S.-based business that was formed to own and operate contracted solar and other clean energy assets in India.</li> <li>• Director of Eagle Corporate Advisers Pty Ltd, an incorporated legal practice</li> </ul>	
Former directorships in last 3 years	None	
Special responsibilities	None	
Interests in shares and options	Interests in shares	1,646,341
	Interest in performance rights	1,646,341

For personal use only

Information on directors and company secretary (continued)

<b>Mr Scott Mison</b> <i>Company Secretary</i>	
Experience and expertise	<p>Scott holds a Bachelor of Business degree majoring in Accounting and is a Member of the Institute of Chartered Accountants in Australia and Governance Institute of Australia.</p> <p>Scott has more than 18 years of corporate and operational experience across Australia, UK, Central Asia, Africa and the US. He is currently a Director / CFO and Company Secretary of AIM/ASX-listed Jupiter Energy and Interim CEO of Longford Resources and CFO / Company Secretary of Rift Valley Resources.</p> <p>Scott has previously worked for Ernst and Young, where he advised a broad range of listed and private companies, and has been an assistant Company Secretary at a Top-200 ASX- listed company.</p>

For personal use only

### Meetings of directors

The numbers of meetings of the Group's Board of directors and of each board committee held during the year ended 30 June 2017, and the numbers of meetings attended by each director were as follows:

	Full meetings of directors	
	A	B
Mr Bane Hunter	4	4
Mr Joel Macdonald	4	4
Ms Jamila Gordon	4	4
Mr Brett Eagle	4	4

A = Number of meetings attended

B = Number of meetings held during the time the director held office or was a member of the committee during the year

### Remuneration report

The Remuneration report, which has been audited, outlines the key management personnel remuneration arrangements for the Group, in accordance with the requirements of the *Corporations Act 2001* and its Regulations.

#### (a) Key management personnel covered in this report

Key management personnel (KMP) of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group receiving the highest remuneration.

The key management personnel of the Group consisted of the following directors of GetSwift Limited covered in this report:

Mr Bane Hunter, Executive Chairman

Mr Joel Macdonald, Managing Director

Ms Jamila Gordon, Non-Executive Director (appointed 24 September 2016)

Mr Brett Eagle, Non-Executive Director (appointed 24 September 2016)

#### (b) Remuneration philosophy and policy

The remuneration policy of the Group has been designed to align directors and executives interests with the shareholder and business objectives by providing a fixed remuneration component and offering long term incentives based on key performance areas of the Group such as client acquisition and transaction/revenue growth. The Board of the Group believes the remuneration policy to be appropriate to attract and retain the best executives and directors to run and manage the Group, as well as create goal congruence between directors, executives and shareholders.

The Board's policy for determining the nature and amount of remuneration for Board members and senior executives of the Group is as follows:

- At this stage, the Group does not have a Remuneration Committee. The Board is of the opinion that due to the size of the Group, the functions performed by a Remuneration Committee can be adequately handled by the full Board;
- All executives receive a base salary (which is based on factors such as length of service and experience), superannuation, fringe benefits and performance incentives; and
- The Board reviews executive packages annually by reference to the Group's performance, executive performance and comparable information.

The remuneration paid to directors and executives is valued at the cost to the Group and expensed.

For personal use only

**Remuneration report (continued)**

*(c) Short- and long-term incentives*

Group leadership are aligned to the growth and the success of the Group through the Employee and Executive Share Ownership Plan (ESOP) and through performance rights.

- The Employee and Executive Share Ownership Plan has a structure whereby 25% of the granted options vest on the one-year anniversary of the employment commencement date. The remaining 75% vest on a monthly basis over the subsequent three-year period after the one-year anniversary date. These options are valid for a 15-year period following vesting.
- Performance rights are convertible into shares based on achievement of certain metrics over a period of 48 months. The performance rights vest as follows:
  - Class A: Achievement of 250,000 deliveries in a calendar month. *Achieved in July 2017.*
  - Class B: Achievement of 375,000 deliveries in a calendar month.
  - Class C: Achievement of 750,000 deliveries in a calendar month.
  - Class D: Achievement of company revenue of \$5 million in a full financial year or \$1.25 million in any 3-month period ending on 31 March, 30 June, 31 October, or 31 December.
  - Class E: Achievement of company revenue of \$10 million in a full financial year or \$2.5 million in any 3-month period ending on 31 March, 30 June, 31 October, or 31 December.
  - Class F: Achievement of company revenue of \$15 million in a full financial year or \$3.75 million in any 3-month period ending on 31 March, 30 June, 31 October, or 31 December.

*(d) Remuneration expenses for executive KMP*

**Remuneration for the year ended 30 June 2017:**

2017	Short-term employee benefits		Post-employment benefits	Long-term benefits	Performance rights	Total	Proportion of remuneration performance related %
	Cash salary and fees	Annual leave	Super-annuation	Long service leave			
	\$	\$	\$	\$	\$	\$	%
<b>Non-executive directors</b>							
Ms Jamila Gordon	100,020	3,285	7,980	94	29,869	141,248	21.8
Mr Brett Eagle	21,720	-	-	-	29,869	51,589	55.4
<b>Executive directors</b>							
Mr Bane Hunter	240,000	-	-	-	268,820	508,820	52.8
Mr Joel Macdonald	250,000	-	-	-	268,820	518,820	51.8
<b>Total KMP compensation</b>	<b>611,740</b>	<b>3,285</b>	<b>7,980</b>	<b>94</b>	<b>597,378</b>	<b>1,220,477</b>	

**Remuneration for the year ended 30 June 2016:**

There was no remuneration for the year ended 30 June 2016.

*(e) Contractual arrangements with executive KMPs*

Bane Hunter has agreed to serve as Executive Chairman of the Group. Bane has entered into an Employment Agreement with the Group. This Employment Agreement provides for:

- An annual salary of \$240,000;
- The grant of 14,817,073 performance rights, which are convertible into the same number of shares, subject to the achievement of certain metrics over a period of 48 months;

## Remuneration report (continued)

### (e) Contractual arrangements with executive KMPs (continued)

- The acceleration of vesting of certain of the performance rights upon a change of control, which is defined as:
  - an acquisition by any individual, entity or group of 20% or more of either (A) the then-outstanding shares; or (B) the combined voting power of the then-outstanding voting securities entitled to vote generally in the election of directors; or
  - a merger or reorganisation or sale of all or at least 50% of the assets of the Group; or
  - the approval by shareholders of a liquidation or dissolution.

The agreement is for an initial term of four years, with an automatic two-year extension (unless notice of non-renewal is provided by the Group within 90 days of the expiration of the initial term).

The agreement also prohibits the employee from being engaged or having an interest in (either directly or indirectly) in any capacity, in any trade, business or occupation which is directly competitive with the Group. This provision does not prohibit holding investments in a listed company of not more than 5% of the securities of any company.

A termination payment is payable upon termination of appointment by the Group and will be calculated as follows:

- If termination occurs during the initial term of employment, then the termination payment is the amount of the base salary otherwise payable for the remainder of the initial term of the employment; or two times the annual base salary, if more, and in any event subject to shareholder approval and other laws and regulations if required.
- If termination occurs after the initial term of employment, then two times the annual base salary in accordance with the employment agreement for the appointee/employee, and in any event subject to shareholder approval and other laws and regulations if required.

This provision does not apply to any termination for cause, which is defined as where a person:

- is convicted of any serious criminal offence other than an offence which in the reasonable opinion of the Board does not affect the employee's position as an employee of the Group;
- commits fraud, an act of intentional misconduct or an act of gross negligence; or
- the employee is legally declared by either Australian or United States to be of unsound mind and is unable to make sound and prudent decisions.

Joel Macdonald has agreed to serve as Managing Director of the Group. Joel has entered into an Employment Agreement with the Group. This Employment Agreement provides for:

- An annual salary of \$250,000;
- The grant of 14,817,073 performance rights, which are convertible into the same number of shares, subject to the achievement of certain metrics over a period of 48 months;
- The acceleration of vesting of certain of the performance rights upon a change of control, which is defined as:
  - an acquisition by any individual, entity or group of 20% or more of either (A) the then-outstanding shares; or (B) the combined voting power of the then-outstanding voting securities entitled to vote generally in the election of directors; or
  - a merger or reorganisation or sale of all or at least 50% of the assets of the Group; or
  - the approval by shareholders of a liquidation or dissolution.

The agreement is for an initial term of four years, with an automatic two-year extension (unless notice of non-renewal is provided by the Group within 90 days of the expiration of the initial term).

The agreement also prohibits the employee from being engaged or having an interest in (either directly or indirectly) in any capacity, in any trade, business or occupation which is directly competitive with the Group. This provision does not prohibit holding investments in a listed company of not more than 5% of the securities of any company.

A termination payment is payable upon termination of appointment by the Group and will be calculated as follows:

For personal use only

**Remuneration report (continued)**

*(e) Contractual arrangements with executive KMPs (continued)*

- If termination occurs during the initial term of employment, then the termination payment is the amount of the base salary otherwise payable for the remainder of the initial term of the employment; or two times the annual base salary, if more, and in any event subject to shareholder approval and other laws and regulations if required.
- If termination occurs after the initial term of employment, then two times the annual base salary in accordance with the employment agreement for the appointee/employee, and in any event subject to shareholder approval and other laws and regulations if required.

This provision does not apply to any termination for cause, which is defined as where a person:

- Is convicted of any serious criminal offence other than an offence which in the reasonable opinion of the Board does not affect the employee's position as an employee of the Group;
- Commits fraud, an act of intentional misconduct or an act of gross negligence; or
- The employee is legally declared by either Australian or United States to be of unsound mind and is unable to make sound and prudent decisions.

*(f) Non-executive director arrangements*

The Group has entered into a Non-Executive director appointment letter with Jamila Gordon under which the Group has agreed to pay \$24,000 (excluding GST) per annum. In addition, the Group has granted 1,646,341 Performance Rights to Jamila Gordon.

The Company has entered into an agreement with Eagle Corporate Advisers Pty Ltd whereby Brett Eagle will be made available to serve as Non-Executive Director. The Company has agreed to pay \$24,000 (excluding GST) per annum. In addition, the Company has granted 1,646,341 Performance Rights.

There are no retirement benefit schemes for Non-Executive directors.

For personal use only

**Remuneration report (continued)**

*(g) Additional statutory information*

*Performance rights issue*

As part of the successful completion of the ASX listing, on 9 December 2016 the Group issued 32,926,828 of performance rights over the ordinary shares to the key executives of the Group. Each of the performance rights entitles the holder to be issued one fully paid ordinary share of the Group for no cash consideration upon vesting. The performance rights will convert into ordinary shares upon achievement of six performance milestones and will expire if the milestones are not achieved within 48 months of the ASX listing. The total value of the ordinary shares that could be received upon conversion of the performance rights is \$4,299,357. The total value of performance rights issued recognised during the current year is \$597,378.

823,172 of unallocated performance rights have not been issued or allocated after the date of GetSwift public listing, as such do not form part of the total value of the performance rights.

The performance rights are not shares and do not convey to the holder any rights a shareholder of the Group would be entitled to. The performance rights do not carry any voting rights, nor dividend entitlements, or other distributions which may be declared by the Group.

Details of performance rights granted to directors and other key management personnel as compensation during the reporting period are as follows:

30 June 2017	Grant date	No. performance rights granted	No. performance rights vested	Fair value per performance right at grant date	Exercise price	Expiry date	Value of performance rights at grant date
<b>Non-Executive directors</b>							
Ms Jamila Gordon	09-Dec-2016	1,646,341	-	0.13	-	09-Dec-2020	29,869
Mr Brett Eagle	09-Dec-2016	1,646,341	-	0.13	-	09-Dec-2020	29,869
<b>Executive directors</b>							
Mr Bane Hunter	09-Dec-2016	14,817,073	-	0.13	-	09-Dec-2020	268,820
Mr Joel Macdonald	09-Dec-2016	14,817,073	-	0.13	-	09-Dec-2020	268,820
<b>Total</b>		<b>32,926,828</b>					<b>597,378</b>

*Reconciliation of ordinary shares held by KMP*

The number of shares in the parent entity held during the financial year by each director and other members of key management personnel of the Group, including their personally related parties, is set out below:

30 June 2017	Balance at start of year	Balance at date of appointment	Received as part of remuneration	Additions	Disposals/ other	Balance at date of resignation	Balance at end of year
<b>Non-Executive directors</b>							
Ms Jamila Gordon	-	-	-	-	-	-	-
Mr Brett Eagle	-	-	-	1,646,341	-	-	1,646,341
<b>Executive directors</b>							
Mr Bane Hunter	-	-	-	6,714,554	-	-	6,714,554
Mr Joel Macdonald	-	-	-	36,750,284	-	-	36,750,284

For personal use only

## Insurance of officers and indemnities

### (a) Insurance of officers

The Group has indemnified the directors and executives of the Group 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 Group paid a premium in respect of a contract to insure the directors and executives of the Group against a liability to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of liability and the amount of the premium.

### (b) Indemnity of auditors

The Group has not, during or since the financial year, indemnified or agreed to indemnify the auditor of the Group or any related entity against a liability incurred by the auditor. During the financial year, the Group has not paid a premium in respect of a contract to insure the auditor of the Group 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 Group, or to intervene in any proceedings to which the Group is a party, for the purpose of taking responsibility on behalf of the Group for all or part of those proceedings.

## Auditor

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

## 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 on page 14.



**RSM Australia Partners**

Level 21, 55 Collins Street Melbourne VIC 3000  
PO Box 248 Collins Street West VIC 8007

T +61 (0) 3 9286 8000  
F +61 (0) 3 9286 8199

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

**AUDITOR'S INDEPENDENCE DECLARATION**

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

- (i) the auditor independence requirements of the *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

30 August 2017  
Melbourne, Victoria

For personal use only

## Corporate Governance Statement

The main policies and practices adopted by the Group are summarised below. There are also important governance requirements set out in the Constitution of the Group.

### **Principle 1: Lay solid foundations for management and oversight**

The Board oversees the Group's business and is responsible for the overall corporate governance of the Group. It monitors the operational, financial position and performance of the Group and oversees its business strategy, including approving the strategy and performance objectives of the Group.

The Board is committed to maximising performance and generating value and financial returns for Shareholders.

To further these objectives, the Board has created a framework for managing the Group, including the adoption of relevant internal controls, risk management processes and corporate governance policies and practices which the Board believes are appropriate for the business and which are designed to promote the responsible management and conduct of the Group.

### **Board Charter**

The responsibilities of the Board are set out in the Group's Board Charter, which has been prepared having regard to the ASX Corporate Governance Principles and Recommendations. The Group's Board Charter can be accessed on the company website at [www.getswift.co](http://www.getswift.co).

Any functions not reserved for the Board and not expressly reserved by the ASX Listing Rules are reserved for senior executives.

### **Performance of the Board**

The Group has adopted a Board Performance Evaluation Policy which is available on the Group's website.

### **Performance of Executives**

Arrangements put in place by the Board to monitor the performance of the Group's executives include:

- a review by the Board of the achievement of performance targets set based on the organisation's objectives in accordance with its strategy;
- comparison of executive remuneration levels to industry benchmarks; and
- annual performance appraisal meetings incorporating analysis of key performance indicators with each individual to ensure that the level of reward is aligned with respective responsibilities and individual contributions made to the success of the Group.

Reviews will be conducted annually.

**Principle 1: Lay solid foundations for management and oversight (continued)**

**Diversity Policy**

This policy sets out the Group's objectives for achieving diversity amongst its Board of Directors, Management and employees.

The policy requires the board to establish measurable objectives for achieving gender diversity and the Board will review the Group's progress in meeting these objectives.

Due to the stage of development and number of employees, the Group may face particular issues in relation to setting, reviewing, assessing and reporting on certain diversity measures.

The Group will report on its progress towards achieving these objectives in its future annual reports.

**Principle 2: Structure the board to add value**

**Composition of the Board**

The Board is currently comprised of Executive Directors, Bane Hunter and Joel Macdonald and Non-Executive Directors, Jamila Gordon and Brett Eagle.

Each Director has confirmed to the Group that he or she anticipates being available to perform his duties as a Non-Executive Director or Executive Director, as applicable, without constraint from other commitments.

**Independence of the Board**

The Board is responsible for the overall governance of the Group, The Board considers issues of substance affecting the Group, with advice from external advisers as required. Each Director must bring an independent view and judgement to the Board and must declare all actual or potential conflicts of interest on an ongoing basis. Any issue concerning a Director's ability to act properly as a Director must be discussed at a Board meeting as soon as practicable, and a Director may not participate in discussions or resolutions pertaining to any matter for which the Director has a material personal interest.

**Board Committees**

The Board has not established separate committees to facilitate and assist the Board in fulfilling its responsibilities. The roles and responsibilities of those committees are currently undertaken by the full board of the Group. The Board may establish committees from time to time to assist in the discharge of its responsibilities.

**Principle 3: Promote ethical and responsible decision making**

**Code of Conduct Policy**

This policy sets out the Group's key values and the standards of ethical behaviour that the Group expects from its Directors, officers and employees.

**Securities Trading Policy**

This policy is designed to maintain investor confidence in the integrity of the Group's internal controls and procedures and to provide guidance on avoiding any breach of the insider trading laws.

For personal use only

**Principle 4: Safeguard integrity in financial reporting**

**Audit committee**

The board has not established a separate audit committee.

Due to the size and scale of the Group, the board as a whole will oversee the audit committee duties. The processes it employees are set out in the board charter.

**Principles 5: Make timely and balanced disclosures**

**Continuous Disclosure Policy**

Once listed on the ASX, the Group will need to comply with the continuous disclosure requirements of the ASX Listing Rules to ensure that the Group discloses to the ASX any information concerning the Group which is not generally available and which a reasonable person would expect to have a material effect on the price or value of the shares. As such, this policy sets out certain procedures and measures that are designed to ensure that the Group complies with its continuous disclosure obligations.

**Principles 6: Respect the rights of security holders**

**Shareholder Communication Policy**

This policy sets out practices that the Company will implement to ensure effective communication with its Shareholders.

**Principle 7: Recognise and manage risk**

**Risk Management Policy**

This policy is designed to assist the Group to identify, assess, monitor and manage risks affecting the Group's business and it outlines the processes it employs for overseeing the entity's risk management framework.

The Group does not have a separate committee to oversee risk. The board as a whole will oversee risk of the Group.

A review of the Group's risk management framework will be completed annually and will be disclosed in future annual reports.

**Principle 8: Remunerate fairly and responsibly**

**Remuneration committee**

The board has not established a separate Remuneration Committee.

Due to the size and scale of the Group, the board as a whole will oversee the nomination duties.

The processes it employees are set out in the board charter.

The Board as a whole is responsible of making recommendations in relation to the Group's policies and practices regarding the remuneration of non-executive directors and the remuneration to executive directors and other senior executives.

The Board is to ensure that remuneration properly reflects the relevant person's duties and responsibilities, and that the remuneration is competitive. The Board believes that the best way to achieve this objective is to provide executive directors and executives with a remuneration package that may consist of:

- (i) fixed components that reflect the person's responsibilities, duties and personal performance; and
- (ii) share based payments in the form of options or performance rights as an incentive for performance that achieves medium term or longer-term goals.

The remuneration of non-executive directors is determined by the Board as a whole having regard to the level of fees paid to non-executive directors by other companies of similar size in the industry.

The aggregate amount payable to the Group's non-executive directors in respect of non-executive director fees must not exceed the maximum annual amount approved by the Group's shareholders.

These documents will all be made available on the Group's website at [www.getswift.co](http://www.getswift.co).

For personal use only

**GetSwift Limited**  
**Consolidated statement of profit or loss and other comprehensive income**  
**For the year ended 30 June 2017**

	Note	Consolidated entity	
		2017	2016
		\$	\$
Revenue	2	336,356	107,554
Other income	3	145,146	263,577
<b>Total revenue and other income</b>		<b>481,502</b>	<b>371,131</b>
<b>Expenses</b>			
Cost of sale		(30,759)	(22,727)
Staff expenses	4	(955,126)	(300,477)
Consultancy expenses	5	(309,157)	(359,231)
Administrative expenses	6	(252,640)	(58,153)
Other expenses	7	(256,324)	(91,706)
Share based payments		(597,378)	-
<b>Total expenses</b>		<b>(2,401,384)</b>	<b>(832,294)</b>
<b>Interest expense and finance charges</b>		<b>(1,708)</b>	<b>(1,373)</b>
<b>Loss for the period</b>		<b>(1,921,590)</b>	<b>(462,536)</b>
<b>Other comprehensive loss for the period, net of tax</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive loss for the period</b>		<b>(1,921,590)</b>	<b>(462,536)</b>
		<b>Cents</b>	<b>Cents</b>
<b>Losses per share:</b>			
Basic losses per share	10(a)	(0.02)	(0.01)
Diluted losses per share	10(a)	(0.02)	(0.01)

*The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.*

For personal use only

**GetSwift Limited**  
**Consolidated statement of financial position**  
**As at 30 June 2017**

		<b>Consolidated entity</b>	
		<b>2017</b>	<b>2016</b>
	Note	\$	\$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	12(a)	<b>12,683,761</b>	269,731
Financial assets - term deposits		<b>3,000,000</b>	-
Trade and other receivables	12(b)	<b>58,757</b>	12,702
Other current assets		<b>36,018</b>	-
<b>Total current assets</b>		<b>15,778,536</b>	<b>282,433</b>
<b>Non-current assets</b>			
Intangible assets	13(a)	<b>16,991</b>	3,722
Other non-current assets		<b>1,201</b>	-
<b>Total non-current assets</b>		<b>18,192</b>	<b>3,722</b>
<b>Total assets</b>		<b>15,796,728</b>	<b>286,155</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	12(c)	<b>123,410</b>	42,340
Employee benefit obligations		<b>29,818</b>	-
<b>Total current liabilities</b>		<b>153,228</b>	<b>42,340</b>
<b>Non-current liabilities</b>			
Employee benefit obligations		<b>1,028</b>	-
Other financial liabilities	12(d)	-	128,502
<b>Total non-current liabilities</b>		<b>1,028</b>	<b>128,502</b>
<b>Total liabilities</b>		<b>154,256</b>	<b>170,842</b>
<b>Net assets</b>		<b>15,642,472</b>	<b>115,313</b>
<b>EQUITY</b>			
Share capital	14(a)	<b>16,746,761</b>	1,061,715
Reserves		<b>1,763,703</b>	-
Retained earnings	14(c)	<b>(2,867,992)</b>	(946,402)
<b>Total equity</b>		<b>15,642,472</b>	<b>115,313</b>

*The above consolidated statement of financial position should be read in conjunction with the accompanying notes.*

For personal use only

GetSwift Limited  
 Consolidated statement of changes in equity  
 For the year ended 30 June 2017

Consolidated entity	Attributable to owners of GetSwift Limited			Total equity \$
	Share capital \$	Reserves \$	Accumulated losses \$	
<b>Balance at 1 July 2015</b>	674,705	-	(483,866)	190,839
Loss for the period	-	-	(462,536)	(462,536)
<b>Total comprehensive income for the period</b>	-	-	<b>(462,536)</b>	<b>(462,536)</b>
<b>Transactions with owners in their capacity as owners:</b>				
Shares issued	387,010	-	-	387,010
<b>Balance at 30 June 2016</b>	<b>1,061,715</b>	-	<b>(946,402)</b>	<b>115,313</b>
<b>Balance at 1 July 2016</b>	1,061,715	-	(946,402)	115,313
Loss for the period	-	-	(1,921,590)	(1,921,590)
<b>Total comprehensive income for the period</b>	-	-	<b>(1,921,590)</b>	<b>(1,921,590)</b>
<b>Transactions with owners in their capacity as owners:</b>				
Shares prepaid	11,047,146	-	-	11,047,146
Shares issued	6,500,000	-	-	6,500,000
Transactions cost	(1,862,100)	-	-	(1,862,100)
Performance rights issued	-	597,378	-	597,378
Options issued	-	1,166,325	-	1,166,325
	15,685,046	1,763,703	-	17,448,749
<b>Balance at 30 June 2017</b>	<b>16,746,761</b>	<b>1,763,703</b>	<b>(2,867,992)</b>	<b>15,642,472</b>

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

For personal use only



**GetSwift Limited**  
**Consolidated statement of cash flows**  
**For the year ended 30 June 2017**

	<b>Consolidated entity</b>	
	<b>2017</b>	<b>2016</b>
Note	\$	\$
<b>Cash flows from operating activities</b>		
Receipts from customers	<b>290,301</b>	107,554
Payments to suppliers	<b>(870,982)</b>	(291,589)
Payments to employees	<b>(858,191)</b>	(328,778)
	<u><b>(1,438,872)</b></u>	<u>(512,813)</u>
Payments for research and development	-	(203,943)
R&D tax concession refund	<b>91,815</b>	94,877
Interest paid	<b>(1,708)</b>	(1,373)
Interest received	<b>53,331</b>	-
<b>Net cash (outflow) from operating activities</b>	<u><b>17(a) (1,295,434)</b></u>	<u>(623,252)</u>
<b>Cash flows from investing activities</b>		
Payments for patents and trademarks	<b>(13,405)</b>	-
Investment in term deposits	<b>(3,000,000)</b>	-
<b>Net cash (outflow) from investing activities</b>	<u><b>(3,013,405)</b></u>	<u>-</u>
<b>Cash flows from financing activities</b>		
Proceeds from issues of shares	<b>6,500,000</b>	387,010
Repayment of convertible note	<b>(128,502)</b>	-
Transaction costs	<b>(695,775)</b>	-
Proceeds from issue of shares received in advance	<b>11,047,146</b>	-
Proceeds from options fee	-	250,000
Proceeds from convertible notes	-	128,502
<b>Net cash inflow from financing activities</b>	<u><b>16,722,869</b></u>	<u>765,512</u>
<b>Net increase in cash and cash equivalents</b>	<b>12,414,030</b>	142,260
Cash and cash equivalents at the beginning of the financial year	<b>269,731</b>	127,471
<b>Cash and cash equivalents at end of period</b>	<u><b>12(a) 12,683,761</b></u>	<u>269,731</u>

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

For personal use only

## 1 Segment information

Due to the current size of the operations the Group does not differentiate its revenue and expenses by the geographical locations and all internal management reporting is prepared on a consolidated basis. The Board of Directors (Chief Operating Decision Makers) evaluates the results on a Group wide basis as it is not practical to determine financial results on a location basis at this point.

## 2 Revenue

	<b>Consolidated entity</b>	
	<b>2017</b>	<b>2016</b>
	\$	\$
Trading revenue	<b>320,402</b>	107,554
Other revenue	<b>15,954</b>	-
	<b>336,356</b>	107,554

## 3 Other income

	<b>Consolidated entity</b>	
	<b>2017</b>	<b>2016</b>
	\$	\$
Option fee	-	250,000
Loan written off	-	13,577
Interest received	<b>53,331</b>	-
Research and development tax concession	<b>91,815</b>	-
	<b>145,146</b>	263,577

## 4 Staff expenses

	<b>Consolidated entity</b>	
	<b>2017</b>	<b>2016</b>
	\$	\$
Wages and salaries	<b>(798,212)</b>	(236,841)
Other	<b>(156,914)</b>	(63,636)
	<b>(955,126)</b>	(300,477)

## 5 Consultancy expenses

	<b>Consolidated entity</b>	
	<b>2017</b>	<b>2016</b>
	\$	\$
Professional fees	<b>279,813</b>	277,010
Legal expenses	<b>17,159</b>	52,213
Other	<b>12,185</b>	30,008
	<b>309,157</b>	359,231

## 6 Administrative expenses

	Consolidated entity	
	2017	2016
	\$	\$
Travel	177,348	28,736
Permits and licences	18,787	-
Other	56,505	29,417
	<b>252,640</b>	<b>58,153</b>

## 7 Other expenses

	Consolidated entity	
	2017	2016
	\$	\$
Advertising	85,348	85,042
Website expenses	35,469	531
Marketing	16,026	-
Entertainment	15,533	2,453
Other	103,948	3,680
	<b>256,324</b>	<b>91,706</b>

## 8 Income tax expense

	Consolidated entity	
	2017	2016
	\$	\$
Loss from continuing operations before income tax expense	(1,921,590)	(462,536)
Tax at the Australian tax rate of 30.0% (2016 - 30.0%)	(576,477)	(138,761)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Share based payment	179,212	-
Research and development tax concession	56,046	61,183
Superannuation expenses	11,210	1,420
Section 40-880 deduction	(42,315)	(162)
Annual and long-service leave expenses	9,254	-
Sundry items	17,454	(1,516)
Difference in the tax rate (US @20% vs Australian @30%)	66,947	13,491
Benefit of tax losses not brought to account	278,669	64,345
Income tax expense	-	-

### (a) Tax losses

For personal use only

**8 Income tax expense (continued)**

**(a) Tax losses (continued)**

	Consolidated entity	
	2017	2016
	\$	\$
Unused tax losses for which no deferred tax asset has been recognised	<u>1,519,977</u>	568,532
	<u>1,519,977</u>	<u>568,532</u>

For personal use only

## 8 Income tax expense (continued)

### (b) Deferred income tax benefit

Deferred tax assets arising from tax losses are, to the extent noted above, not recognised at reporting date as realisation of the benefit is not regarded as probable. This deferred income tax benefit will only be obtained if:

- future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised;
- the conditions for deductibility imposed by tax legislation is complied with, including Continuity of Ownership and/or Same Business Tests; and
- no changes in tax legislation adversely affect the Group in realising the benefit.

## 9 Remuneration of auditors

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

### RSM Australia Partners

#### (i) Audit and other assurance services

	<b>Consolidated entity</b>	
	<b>2017</b>	<b>2016</b>
	\$	\$
<i>Audit and other assurance services</i>		
Audit and review of financial statements	<b>30,000</b>	15,290
Total remuneration for audit and other assurance services	<b>30,000</b>	15,290

## 10 Loss per share

Both the basic and diluted loss per share have been calculated using the loss attributable to shareholders of GetSwift Limited as the numerator, i.e. no adjustments to loss were necessary during the year ended 30 June 2017 and 2016.

### (a) Loss per share

	<b>Consolidated entity</b>	
	<b>2017</b>	<b>2016</b>
	<b>Cents</b>	<b>Cents</b>
Basic losses per share	<b>0.02</b>	0.01
Diluted losses per share	<b>0.02</b>	0.01

### (b) Reconciliation of loss used in calculating loss per share

	<b>Consolidated entity</b>	
	<b>2017</b>	<b>2016</b>
	\$	\$
Net loss used in the calculation of basic and diluted loss per share	<b>1,921,590</b>	462,536

For personal use only

## 10 Loss per share (continued)

### (b) Reconciliation of loss used in calculating loss per share (continued)

### (c) Weighted average number of shares used as the denominator

	Consolidated entity	
	2017	2016
	Number	Number
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	<u>109,574,428</u>	<u>87,896,346</u>

There have been no other conversions to, call of, or subscriptions for ordinary shares, or issues of potential ordinary shares since the reporting date and before the completion of this financial report.

For personal use only

## 11 Dividends

No dividends were paid and no dividends are expected to be paid during the year ended in 30 June 2017 (2016: Nil).

## 12 Financial assets and financial liabilities

### (a) Cash and cash equivalents

	<b>Consolidated entity</b>	
	<b>2017</b>	<b>2016</b>
	\$	\$
<b>Current assets</b>		
Bank balances	<b>12,650,835</b>	264,162
Other cash and cash equivalents	<b>32,926</b>	5,569
	<b>12,683,761</b>	269,731

#### (i) Reconciliation to cash flow statement

The above figures reconcile to the amount of cash shown in the statement of cash flows at the end of the financial year as follows:

	<b>Consolidated entity</b>	
	<b>2017</b>	<b>2016</b>
	\$	\$
Balances as above	<b>12,683,761</b>	269,731
Balances per consolidated statement of cash flows	<b>12,683,761</b>	269,731

#### (ii) Classification as cash equivalents

Term deposits are presented as cash equivalents if they have a maturity of three months or less from the date of acquisition and are repayable with 24 hours notice with no loss of interest. See note 24 (l) for the group's other accounting policies on cash and cash equivalents.

### (b) Trade and other receivables

	<b>Consolidated entity</b>	
	<b>2017</b>	<b>2016</b>
	\$	\$
<b>Current liabilities</b>		
Trade receivables	<b>29,590</b>	5,624
Other receivables	<b>29,167</b>	7,078
	<b>58,757</b>	12,702

### (c) Trade and other payables

For personal use only

## 12 Financial assets and financial liabilities (continued)

### (c) Trade and other payables (continued)

	Consolidated entity	
	2017	2016
	\$	\$
<b>Current liabilities</b>		
Payroll tax and other statutory liabilities	(80,364)	(14,274)
Other payables	(43,046)	(28,066)
	(123,410)	(42,340)

### (d) Other financial liabilities - non-current

	Consolidated entity	
	2017	2016
	\$	\$
Convertible note	-	(128,502)
	-	(128,502)

## 13 Non-financial assets and liabilities

### (a) Intangible assets

Consolidated entity	Patents, trademarks and other rights \$	Other intangible assets \$	Total \$
<b>At 1 July 2015</b>			
Cost	964	4,044	5,008
Accumulation amortisation and impairment	-	(746)	(746)
Net book amount	964	3,298	4,262
<b>Year ended 30 June 2016</b>			
Opening net book amount	964	3,298	4,262
Additions - acquisition	-	-	-
Amortisation charge	-	(540)	(540)
Closing net book amount	964	2,758	3,722
<b>At 30 June 2016</b>			
Cost	964	4,044	5,008
Accumulation amortisation and impairment	-	(1,286)	(1,286)
Net book amount	964	2,758	3,722

For personal use only



### 13 Non-financial assets and liabilities (continued)

#### (a) Intangible assets (continued)

##### Consolidated entity

##### Year ended 30 June 2017

Opening net book amount	964	2,758	3,722
Additions - acquisition	13,405	-	13,405
Amortisation charge	-	(136)	(136)
Closing net book amount	14,369	2,622	16,991

##### At 30 June 2017

Cost	14,369	4,044	18,413
Accumulated amortisation	-	(1,422)	(1,422)
Net book amount	14,369	2,622	16,991

For personal use only

## 14 Equity

### (a) Share capital

	30 June 2017 Shares	30 June 2017 \$	30 June 2016 Shares	30 June 2016 \$
Ordinary shares				
Ordinary shares - fully paid	125,396,346	5,699,615	87,896,346	1,061,715
Prepaid shares*	-	11,047,146	-	-
<b>Total share capital</b>	<b>125,396,346</b>	<b>16,746,761</b>	87,896,346	1,061,715

\* On 4 July 2017 the Company issued 13,808,932 ordinary shares at an issue price of \$0.80 per share for a total consideration of \$11,047,146 to institutional and professional investors under the institutional placement announced on 23 June 2017. The shares had been fully paid as at 30 June 2017. For the purposes of the current year's financial statements the cash proceeds have been classified as prepaid shares.

*Movements in ordinary shares:*

Details	Notes	Number of shares	\$
<b>Opening balance 1 July 2016</b>		87,896,346	1,061,715
Shares issued**		37,500,000	6,500,000
Transaction costs relating to share issues		-	(1,862,100)
<b>Closing balance 30 June 2017</b>		<b>125,396,346</b>	<b>5,699,615</b>

\*\* On 1 December 2016, GetSwift Limited issued 25,000,000 fully paid ordinary shares at \$0.20 each and 12,500,000 fully paid ordinary shares at \$0.12 each. Fully paid 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.

(i) *Details of shares issued during the current year are as follows*

Date	Details	Number	Issue price
1 December 2016	Placement of ordinary shares	37,500,000	6,500,000
	Transaction cost		(1,862,100)
		<b>37,500,000</b>	<b>4,637,900</b>

## 14 Equity (continued)

### (b) Reserves

The following table shows a breakdown of the balance sheet line item 'other reserves' and the movements in these reserves during the year. A description of the nature and purpose of each reserve is provided below the table.

<b>Consolidated entity</b>	<b>Total \$</b>
<b>Balance at 30 June 2016</b>	-
Options issued during the period	1,166,325
Performance rights issued during the period	<u>597,378</u>
<b>Balance at 30 June 2017</b>	<b><u>1,763,703</u></b>

#### (i) Options issue

On 9 December 2016 the Company issued 7,500,000 of options to its corporate advisor, Cygnet Capital, who acted as the Company's IPO Lead Manager during the ASX listing. These options are unlisted and will expire on 9 December 2020. The options have an exercise price of \$0.20.

On 1 March 2017, the Company issued 5,000,000 unlisted options to its corporate advisor, White Swan. These options are unlisted and expire on 30 June 2018. The options have an exercise price of \$0.70.

The weighted average remaining contractual life of the options at 30 June 2017 is 2.22 years.

The assessed fair value of the options granted during the current financial year was \$616,250 and 550,075 respectively.

This value was calculated by using a Black-Scholes model applying the following inputs:

	<b>Options issued to Cygnet Capital</b>
Expected volatility*	75%
Risk-free interest rate	2.76%
Expected life of option (years)	4
Option exercise price	\$0.20
Share price (offer share price included in the Prospectus)	\$0.20
Share price (current)	
<b>Options issued to White Swan</b>	
75%	
2.8%	
1.34	
\$0.70	
-	
\$0.48	

\*The expected price volatility is estimated based on the long term share price volatility of 125 comparable companies.

For personal use only

## 14 Equity (continued)

### (b) Reserves (continued)

#### (ii) Performance rights issue

As part of the successful completion of the ASX listing, on 9 of December 2016, the Group issued 32,926,828 performance rights over the ordinary shares to the key executives of the Group. Each of the performance rights entitles the holder to be issued one fully paid ordinary share of the Group for no cash consideration upon vesting. The performance rights will convert into ordinary shares upon achievement of six performance milestones and will expire if the milestones are not achieved within 48 months of the ASX listing. The total value of the ordinary shares that could be received upon conversion of the performance rights is \$4,299,357. The total value of performance rights issued recognised during the current year is \$597,378.

For personal use only

## 14 Equity (continued)

### (b) Reserves (continued)

#### (ii) Performance rights issue (continued)

The performance milestones include:

Class of performance rights	Performance condition	Expiry date
Class A	Performance rights to vest upon achievement of 250,000 deliveries in a calendar month	48 months
Class B	Performance rights to vest upon achievement of 375,000 deliveries in a calendar month	48 months
Class C	Performance rights to vest upon achievement of 750,000 deliveries in a calendar month	48 months
Class D	Performance rights to vest upon achievement of GetSwift revenue of either \$5 million in a full financial year, or \$1.25 million in any 3-month period ending on 31 March, 30 June, 31 October or 31 December	48 months
Class E	Performance rights to vest upon achievement of GetSwift revenue of either \$10 million in a full financial year, or \$2.5 million in any 3-month period ending on 31 March, 30 June, 31 October or 31 December	48 months
Class F	Performance rights to vest upon of GetSwift revenue of either \$15 million in a full financial year, or \$3.75 million in any 3-month period ending on 31 March, 30 June, 31 October or 31 December	48 months

The fair value has been calculated adopting the share offer price as the market price for use in the Black Scholes model to then calculate the option price of GetSwift shares as at 9 December 2016, in a 12 month and 48 month period from the date of GetSwift ASX listing. A share offer price of \$0.20 which was the price as per GetSwift's Prospectus dated 26 October 2016, and a strike price of \$0, were used as variables in the model.

There were no performance rights granted in prior years.

### (c) Retained earnings

Movements in retained earnings were as follows:

	Consolidated entity	
	2017	2016
	\$	\$
Balance 1 July 2016	(946,402)	(483,866)
Net loss for the period	(1,921,590)	(462,536)
Balance 30 June 2017	(2,867,992)	(946,402)

## 15 Related party transactions

### (a) Key management personnel compensation

The aggregate compensation made to directors and other members of key management personnel of the Group is set out below:

For personal use only

## 15 Related party transactions (continued)

### (a) Key management personnel compensation (continued)

	Consolidated entity	
	2017	2016
	\$	\$
Short-term employee benefits	615,025	-
Post-employment benefits	7,980	-
Long-term benefits	94	-
Share-based payments	597,378	-
	<b>1,220,477</b>	-

In addition to the key management personnel compensation there were no transactions with related parties in the current or prior financial year and there were no balances either receivable or payable as at 30 June 2017.

## 16 Contingent liabilities and contingent assets

The Group had no contingent liabilities at 30 June 2017 (2016: nil).

## 17 Cash flow information

### (a) Reconciliation of profit after income tax to net cash inflow from operating activities

	Consolidated entity	
	2017	2016
	\$	\$
Loss for the period	(1,921,590)	(462,536)
Adjustment for		
Depreciation and amortisation	136	541
Share-based payment expense	597,378	-
Options fee	-	(250,000)
Change in operating assets and liabilities:		
(Increase)/decrease in trade and other receivables	(46,055)	118,297
(Increase) in prepayments	(34,915)	-
Increase/(decrease) in trade and other payables	78,766	(29,554)
Increase in other provisions	30,846	-
Net cash (outflow) from operating activities	<b>(1,295,434)</b>	(623,252)

For personal use only

## 18 Parent entity financial information

### (a) Summary financial information

	2017	2016
	\$	\$
<b>Balance sheet</b>		
<b>Assets</b>		
Current assets	31,725	-
Non-current assets	17,699,124	-
<b>Total assets</b>	<b>17,730,849</b>	-
<b>Liabilities</b>		
Current liabilities	16,973	-
<b>Total liabilities</b>	<b>16,973</b>	-
<b>Net assets</b>	<b>17,713,876</b>	-
<b>Shareholders' equity</b>		
Issued capital	16,745,552	-
Reserves		
Share-based payments	1,166,325	-
Performance rights	597,378	-
Retained earnings	(795,378)	-
	<b>17,713,877</b>	-
<b>Loss for the period</b>	<b>(795,378)</b>	-
<b>Total comprehensive loss</b>	<b>(795,378)</b>	-

## 19 Subsidiaries

Name of entity	Place of business/ country of incorporation	Ownership interest held by the group	
		2017	2016
		%	%
Get Swift Logistics Pty Ltd	Australia	100	100
Get Swift, Inc.	USA	100	100
Liquorun Pty Ltd	Australia	100	100
Distributed Logistics Pty Ltd	Australia	100	100

For personal use only

## 20 Financial risk management

The Group's principal financial instrument is cash and cash equivalents and financial assets - term deposits.

The main purpose of these financial instruments is to finance the Group's operations. The Group has various other financial assets and liabilities such as receivables and trade payables, which arise directly from its operations. It is, and has been throughout the entire period, the Group's policy that no trading in financial instruments shall be undertaken. The main risk arising from the Group's financial instruments is liquidity risk. Other minor risks are summarised below. The Board reviews and agrees policies for managing each of these risks.

### (a) Liquidity risk

Liquidity risk is the risk that the Group might be unable to meet its obligations. The Group does not forecast any liquidity risk due to the cash reserves and monitoring of the weekly, monthly, and quarterly expenses and cash flow. The data used for analysing these cash flows is consistent with that used in the contractual maturity analysis below. Liquidity needs are monitored in various time bands. Long-term liquidity needs for a 180-day and a 360-day lookout period are identified monthly. Net cash requirements are compared to available funding in order to determine headroom or any shortfalls.

The Group's non-derivative financial liabilities have contractual maturities as summarised below:

#### *Maturities of financial liabilities*

Contractual maturities of financial liabilities	Less than 6 months	6 - 12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual cash flows	Carrying amount (assets)/ liabilities
	\$	\$	\$	\$	\$	\$	\$
<b>At 30 June 2017</b>							
<b>Non-derivatives</b>							
Trade receivables	28,303	1,040	-	-	-	29,343	29,343
Trade payables	28,675	-	-	-	-	28,675	28,675
<b>Total non-derivatives</b>	<b>56,978</b>	<b>1,040</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>58,018</b>	<b>58,018</b>
<b>At 30 June 2016</b>							
<b>Non-derivatives</b>							
Trade receivables	5,624	-	-	-	-	5,624	5,624
Trade payables	14,898	-	-	-	-	14,898	14,898
<b>Total non-derivatives</b>	<b>20,522</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20,522</b>	<b>20,522</b>

For personal use only



## 20 Financial risk management (continued)

### (b) Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's cash deposits with floating interest rates which expose the Group to interest rate risk. All other financial assets and liabilities in the form of receivables and payables are non-interest bearing. The Group does not engage in any hedging or derivative transactions to manage interest rate risk.

In regard to its interest rate risk, the Group continuously analyses its exposure. Within this analysis consideration is given to potential renewals of existing positions, alternative investments and the mix of fixed and variable interest rates.

The following tables set out the Group's financial instruments and its exposure to the type of interest rate risk and the effective weighted average interest rate for each class of these financial instruments. Also included is the effect on profit and equity after tax if interest rates at that date had been 10% higher or lower with all other variables held constant as a sensitivity analysis.

	Effect on profit				
	Non-interest bearing	Fixed interest rates	Floating interest rates	10% of current rate	-10% of current rate
At 30 June 2017	\$	\$	\$	\$	\$
Cash and cash equivalents	-	-	12,683,760	9,766	(9,766)
Term deposits	-	3,000,000	-	7,500	(7,500)
Trade and other receivables	58,756	-	-	-	-
Trade and other payables	(123,411)	-	-	-	-
<b>Total</b>	<b>(64,655)</b>	<b>3,000,000</b>	<b>12,683,760</b>	<b>17,266</b>	<b>(17,266)</b>

	Effect on profit				
	Non-interest bearing	Fixed interest rates	Floating interest rates	10% of current rate	-10% of current rate
At 30 June 2016	\$	\$	\$	\$	\$
Cash and cash equivalents	-	-	269,734	208	(208)
Trade and other receivables	12,702	-	-	-	-
Trade and other payables	(42,340)	-	-	-	-
<b>Total</b>	<b>(29,638)</b>	<b>-</b>	<b>269,734</b>	<b>208</b>	<b>(208)</b>

A sensitivity of 10% of current prevailing interest rates has been selected as this is considered conservative and reasonable given the current level of both short term and long term Australian interest rates. A 10% sensitivity would move short term rates from 2.50% to approximately 2.75% representing a 25 basis points shift. This would represent an interest rate increase, which are reasonably possible in the current environment.

Based on the sensitivity analysis only interest revenue from variable rate deposits and cash balances is impacted resulting in a decrease or increase in overall income.

For personal use only

## 20 Financial risk management (continued)

### (c) Foreign currency risk

The Group is exposed to foreign currency risk via the trade and other receivables and trade and other payables that it holds. Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group aims to take a conservative position in relation to foreign currency risk hedging when budgeting for overseas expenditure however; the Group does not have a policy to hedge overseas payments or receivables as they are highly variable in amount and timing, due to the reliance on activities carried out by overseas entity and its billing cycle.

The following financial assets and liabilities are subject to foreign currency risk:

	<b>2017</b>	2016
	\$	\$
Cash and cash equivalents (AUD/USD)	882,482	3,805
Trade and other receivables (AUD/USD)	1,080	1,027
Trade and other payables (AUD/USD)	(25,483)	(4,742)

The Group is exposed to fluctuations in United States dollars. Analysis is conducted on a currency by currency basis using sensitivity variables.

The Group has conducted a sensitivity analysis of the Group's exposure to foreign currency risk. The sensitivity analysis variable is based on the expected overall volatility of the significant currencies, which is based on management's assessment of reasonable possible fluctuations taking into consideration movements over the last 6 months each year and the spot rates at each reporting date. The analysis shows that if the Group's exposure to foreign currency risk was to fluctuate as disclosed below and all other variables had remained constant, then the foreign currency sensitivity impact on the Group's loss after tax and equity would be as follows:

	<b>(Higher)/Lower 2017</b>	<b>(Higher)/Lower 2016</b>
<b>Cash and cash equivalents</b>		
AUD/USD: 2017: +3% (2016: +3%)	26,474	114
AUD/USD: 2017: -3% (2016: -3%)	(26,474)	(114)
<b>Trade and other receivables</b>		
AUD/USD: 2017: +3% (2016: +3%)	32	31
AUD/USD: 2017: -3% (2016: -3%)	(32)	(31)
<b>Trade and other payables</b>		
AUD/USD: 2017: +3% (2016: +3%)	764	142
AUD/USD: 2017: -3% (2016: -3%)	(764)	(142)

### (d) Credit risk

Credit risk arises from cash and cash equivalents and outstanding trade and other receivables. The cash balances are held in financial institutions with high ratings. The Group has assessed that there is minimal risk that the cash and trade and other receivables balances are impaired.

## 21 Capital management

The Group's objectives when managing capital are to ensure that the Group has sufficient funds to continue its operations on a going concern basis. This is achieved by ensuring that the Board is focussed on cash flow management through periodic Board reporting. The Board reviews financial accounts on a monthly basis and reviews actual expenditure against budget on a monthly basis.

The Group could raise additional capital if necessary by issuing new shares to fund the development of its key products. Total capital is shown as equity in the Statement of Financial Position. No debt funding is expected in the next 12 months there are no external restrictive agreements on the Group for the use of its capital.

Management also maintains a capital structure that ensures the lowest cost of capital available to the entity.

For personal use only

## 21 Capital management (continued)

The Group does not have a defined share buy-back plan.

No dividends were paid in 2017 (2016:nil).

There is no current intention to incur debt funding on behalf of the Group as on-going development expenditure is expected to be funded via equity. The Group is not subject to any externally imposed capital requirements.

## 22 Events occurring after the reporting period

On 23 June 2017, the Group made a market announcement about its intention to issue 30,090,540 shares at \$0.80 per share in two-tranche equity placement, using the Group's existing placement capacity under ASX Listing Rule 7.1 of 13,809,451 shares with the additional capacity to remain subject to shareholder approval.

On 4 July 2017, the Company issued 13,808,932 ordinary shares at an issue price of \$0.80 per share for a total consideration of \$11,047,146 to institutional and professional investors under the institutional placement announced on 23 June 2017. These shares had been fully paid as at 30 June 2017. For the purposes of the current year's financial statements the cash proceeds have been classified as prepaid shares.

The completion of the second tranche of capital placement was announced on 16 August 2017. The Group has issued 16,281,608 shares at A\$0.80 per share to raise \$13,025,000. The issue was approved by shareholders at the shareholder meeting held on 9 August 2017.

The Group has also issued 8,000,000 options to directors as approved by shareholders at the shareholder meeting held on 9 August 2017. These options have been granted as follows:

- 5,000,000 options have been granted to Mr Bane Hunter, Executive Chairman, for no consideration;
- 1,000,000 options have been granted to Mr Joel Macdonald, Managing Director, for no consideration;
- 1,000,000 of options have been granted to Ms Jamila Gordon, Non-Executive Director, for no consideration;
- 1,000,000 of options have been granted to Mr Brett Eagle, Non-Executive Director, for no consideration.

These options have been issued in three tranches and will vest equally over 36 months. The options are exercisable at an average exercise price of \$1 per option and will expire in four years after the grant date.

No other matter or circumstance has arisen since 30 June 2017 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

For personal use only

## **23 Summary of significant accounting policies**

### **(a) Corporate information**

The financial report of GetSwift Limited (the "Group") and its subsidiaries (together the "Group") for the year ended 30 June 2017 was authorised for issue in accordance with a resolution of the Directors on 30 August 2017. The financial report is for the Group consisting of GetSwift Limited and its subsidiaries.

GetSwift Limited is a listed public company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange. The principal activity of the Group is to develop logistics software.

### **(b) Basis of preparation**

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standards, required for a for-profit entity.

The financial report has been prepared on an accruals basis and is based on historical costs. The financial report is presented in Australian dollars, which is the Group's functional and presentation currency. All values are rounded to the nearest dollar unless otherwise stated.

Management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgements. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of Australian Accounting Standards that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

### **(c) Statement of compliance**

The financial report complies with Australian Accounting Standards as issued by the Australian Accounting Standards Board and International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

### **(d) New and amended standards adopted by the group**

There were no adoption of new standards that had a material impact on the Group

### **(e) New standards and interpretations not yet adopted**

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2017 reporting periods and have not been early adopted by the Group. The Group's assessment of the impact of these new standards and interpretations is set out below.

There are no other standards that are not yet effective and that would be expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

## 23 Summary of significant accounting policies (continued)

### (e) New standards and interpretations not yet adopted (continued)

Title of standard	Nature of change	Impact	Mandatory application date
AASB 9 Financial Instruments	AASB 9 introduces new requirements for the classification and measurement of financial assets and liabilities and includes a forward-looking 'expected loss' impairment model and a substantially-changed approach to hedge accounting. These requirements improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139.	The Group is yet to undertake a detailed assessment of the impact of AASB 9. However, based on the Group's preliminary assessment, the Standard is not expected to have a material impact on the measurement of transactions and balances recognised in the financial statements when it is first adopted for the year ending 30 June 2019.	Accounting periods beginning on or after 1 January 2018
AASB 15 Revenue from Contracts with Customers	AASB 15 – replaces AASB 118 Revenue, AASB 111 Construction Contracts and some revenue-related Interpretations– establishes a new revenue recognition model – changes the basis for deciding whether revenue is to be recognised over time or at a point in time – provides new and more detailed guidance on specific topics (e.g. multiple element arrangements, variable pricing, rights of return, warranties and licensing) – expands and improves disclosures about revenue.	There is no impact on current revenue.	Accounting periods beginning on or after 1 January 2018
AASB 16 Leases	AASB 16 – replaces AASB 117 Leases and some lease-related Interpretations– requires all leases to be accounted for 'on-balance sheet' by lessees, other than short-term and low value asset leases– provides new guidance on the application of the definition of lease and on sale and lease back accounting– largely retains the existing lessor accounting requirements in AASB 117– requires new and different disclosures about leases Interpretations.	The Group is yet to undertake a detailed assessment of the impact of AASB 16. However, based on the Group's preliminary assessment, the Standard is not expected to have a material impact on the transactions and balances recognised in the financial statements when it is first adopted for the year ending 30 June 2020.	Accounting periods beginning on or after 1 January 2019

For personal use only

## 23 Summary of significant accounting policies (continued)

### (f) Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of GetSwift Limited and the results of all subsidiaries for the year ended 30 June 2017.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when they are exposed to, or have rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

### (g) Segment reporting

The Group uses the "management approach" to the identification, measurement and disclosure of operating segments. The "management approach" requires that operating segments be identified on the basis of internal reports that are regularly reviewed by the entity's chief operating decision maker (comprising the Board of Directors), for the purpose of allocating resources and assessing performance.

### (h) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised.

#### (i) Revenue from the provision of services

The revenue from the provision of services is recognised using the following two methods:

- for contracted customers, the revenue is recognised on a monthly basis, when the group is able to reliably estimate the underlying value of service provided for the period. This is determined based on the number of task deliveries and SMS values tracked for each customer. The applicable rates are determined based on contractual agreements held with customers.
- for pay as you go customers, the revenue is recognised at the point when the cash payment is received from the customer.

#### (ii) Interest income

Interest income is recognised as interest accrues using the effective interest method.

#### (iii) Research and development tax incentive

Research and Development Tax Incentive - is recognised when it has been established that the conditions of the tax incentive have been met and that the expected amount of tax incentive can be reliably measured.

### (i) Research and development costs

Research costs are expensed as incurred.

An intangible asset arising from development expenditure on an internal project is recognised only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset. The Group should also be able to demonstrate how the asset will generate future economic benefits, the availability of resources to complete the development and the ability to measure reliably the expenditure attributable to the intangible asset during its development.

## 23 Summary of significant accounting policies (continued)

### (j) Income tax

Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting loss nor taxable profit or loss.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised except where the deferred income tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of transaction, affects neither the accounting loss nor taxable profit or loss.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

### (k) Earnings per share

Basic earnings per share is calculated as net loss attributable to members, adjusted to exclude costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net loss attributable to members, adjusted for:

- costs of servicing equity (other than dividends);
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

### (l) Cash and cash equivalents

Cash and short-term deposits in the consolidated statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

### (m) Trade receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for impairment, once they become over due by more than 60 days. A separate account records the impairment.

An allowance for a doubtful debt is made when there is objective evidence that the Group will not be able to collect the debts. The criteria used to determine that there is objective evidence that an impairment loss has occurred include whether the financial asset is past due and whether there is any other information regarding increased credit risk associated with the financial asset. Bad debts which are known to be uncollectible are written off when identified.

## 23 Summary of significant accounting policies (continued)

### (n) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except:

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of GST included.

Cash flows arising from operating activities are included in the Statement of cash flows on a gross basis (i.e. including GST) and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority. The net amount of GST recoverable from or payable to, the taxation authority is included as part of the receivables or payables in the consolidated statement of financial position.

### (o) Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

### (p) Held to maturity investments

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity. If the Group were to sell other than an insignificant amount of held to maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. Held to maturity financial assets are included in non-current assets, except for those maturities less than 12 months from the end of the year, which are classified as current assets.

### (q) Intellectual property costs

Amounts incurred for rights to or for acquisition of intellectual property are expensed in the year in which they are incurred to the extent that such intellectual property is used for research and development activities.

### (r) Impairment of assets

The carrying values of non-financial assets are tested 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 to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffer impairment are tested for possible reversal of the impairment whenever events or changes in circumstances indicate that the impairment may have reversed.

Impairment exists when the carrying value of an asset exceeds its estimated recoverable amount. The asset is then written down to its recoverable amount.



## 23 Summary of significant accounting policies (continued)

### (s) Trade and other payables

Trade and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

### (t) Employee benefits

#### (i) Short term employee benefits

Provision is made for the Group's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Group's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position. The Group's obligations for employees' annual leave entitlements are recognised as provisions in the Balance sheet.

#### (ii) Long service leave

The liability for long service leave is recognised for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currencies that match, as closely as possible, to the estimated future cash outflows.

#### (iii) Share-based payments

Equity-settled and cash-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 the 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 consolidated entity 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.

### (u) Contributed equity

Ordinary shares are classified as equity. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction (net of tax) of the share proceeds received.

## 23 Summary of significant accounting policies (continued)

### (v) Foreign currency translation

The functional currency of the Group is based on the primary economic environment in which the Group operates. The functional currency of the Group is Australian dollars.

Transactions in foreign currencies are converted to local currency at the rate of exchange at the date of the transaction.

Amounts payable to and by the Group outstanding at reporting date and denominated in foreign currencies have been converted to local currency using rates prevailing at the end of the financial year.

All exchange differences are taken to profit or loss.

### (w) Leases

The minimum lease payments of operating leases, where the lessor effectively retains substantially all of the risks and benefits of ownership of the leased item, are recognised as an expense on a straight-line basis.

### (x) Parent entity financial information

The financial information for the parent entity, GetSwift Limited, disclosed in note 18, has been prepared on the same basis as the consolidated statement.

### (y) Significant accounting estimates and assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

#### (i) *Share-based payment transactions*

The Group 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 the 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.

#### (ii) *Recognition of deferred tax assets*

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the Group's future taxable income against which the deferred tax assets can be utilised.

In the directors' opinion:

- (a) the financial statements and notes set out on pages 19 to 47 are in accordance with the *Corporations Act 2001*, including:
  - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and
  - (ii) giving a true and fair view of the consolidated entity's financial position as at 30 June 2017 and of its performance for the year ended on that date, and
- (b) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable, and
- (c) at the date of this declaration, there are reasonable grounds to believe that the members of the extended closed group will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee.

Note confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of directors.

For personal use only

**RSM Australia Partners**

Level 21, 55 Collins Street Melbourne VIC 3000  
PO Box 248 Collins Street West VIC 8007

T +61(0) 3 9286 8000  
F +61(0) 3 9286 8199

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

**INDEPENDENT AUDITOR'S REPORT  
To the Members of GetSwift Limited****Opinion**

We have audited the financial report of GetSwift Limited (the Company), which comprises the statement of financial position as at 30 June 2017, 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 2017 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 matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed this matter
<p><b>Share based payments</b></p> <p>Refer to Notes 14 in the financial statements</p>	
<p>We noted that GetSwift Limited recognised a significant quantum of share issue costs during the financial year as a result of the IPO process in December 2016.</p> <p>There was a risk that some of these costs may fail to meet the criteria defined by AASB 132 in respect of being directly attributable to the issuing new shares and thus accounted for as a deduction from equity.</p> <p>We noted that GetSwift Limited issued share options in exchange for capital advisory service during the financial year.</p> <p>7,500,000 Listed Options were Issued in December 2016 to Cygnet Capital and 5,000,000 Unlisted Options Issued in March 2017 to White Swan Capital.</p> <p>Management has performed the valuation of the options granted in this reporting period using the Black-Scholes Model, since the Group was unable to reliably measure the fair value of the services received. This amount was recognised as transaction costs which were deducted from issued capital.</p> <p>There was also a risk that some of these share issue costs may not have been valued appropriately in accordance with AASB 2.</p>	<p>Our audit procedures in relation to the accounting for these options included:</p> <ul style="list-style-type: none"> <li>• Reviewing the terms and conditions of the Underwriting Agreement for the number of options issued and the purpose of the issue of the options to assess if it meets the recognition criteria for recognition as transaction costs, which are deducted from issued capital;</li> <li>• Reviewing the option valuation inputs in the Black-Scholes Model, which included assessing the volatility rate applied and comparing the volatility rate to entities in the similar industry as the Group;</li> <li>• Performing a recalculation of the option valuation model; and</li> <li>• Utilising the skills of our corporate finance team to assist in the review.</li> </ul>

**Other Information**

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2017, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of the Directors for the Financial Report**

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view 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](http://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 pages 6 to 9 of the directors' report for the year ended 30 June 2017.

In our opinion, the Remuneration Report of GetSwift Limited, for the year ended 30 June 2017, 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 AUSTRALIA PARTNERS**



**J S CROALL**

Melbourne, Victoria

Dated: 30 August 2017