

ASX Announcement

28th September 2023

Cleansing Notice for Entitlement Offer

Jayride Group Limited (ASX:JAY) (“**Jayride**” or the “**Company**”) provides the following Notice under section 708AA(2)(f) of the *Corporations Act 2001* (Cth) as modified by the *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84* (the **Corporations Act**).

On 28 September 2023, the Company announced its intention to conduct a 1:6 Non-Renounceable Entitlement Offer to raise up to approximately \$2.2 million (before costs) at an issue price of \$0.065 per Share (the **Entitlement Offer**) pursuant to which up to 33,939,634 new Shares may be issued (subject to rounding) (the **New Shares**). The Entitlement Offer will be partially underwritten up to \$402k with a further \$694k in binding commitments from certain existing shareholders to take up their full entitlements, including the Chairman and Managing Director, totalling \$1.1 million in expected participation in the Entitlement Offer.

A further approximately 6.1 million fully paid ordinary shares in the Company will be issued via a non-underwritten placement to institutional or sophisticated to raise a further \$400k (before costs) (**Placement**).

The Company provides the following information as required by the Corporations Act:

- (a) the New Shares will be issued without disclosure to investors under Part 6D.2 of the Corporations Act;
- (b) this Notice is being given pursuant to section 708AA(2)(f) of the Corporations Act (as notionally modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84* and *ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73*);
- (c) as at the date of this Notice, the Company has complied with:
 - (i) the provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
 - (ii) sections 674 and 674A of the Corporations Act;
- (d) as at the date of this Notice there is no excluded information of the type referred to in sections 708AA(8) and 708AA(9) of the Corporations Act, which is required to be set out under section 708AA(7) of the Corporations Act; and
- (e) the potential effect that the Entitlement Offer may have on the control of the Company and the consequences of that effect will depend on a number of factors including the actual take-up of entitlements by shareholders of the Company in the Entitlement Offer, and any demand for take-up of any shortfall placement made available by the Company following the close of the Entitlement Offer. Notwithstanding that the Company cannot

predict the outcome of the Entitlement Offer, the Company provides further information in this regard in the following section of this Notice.

Structure of the Entitlement Offer

The Company is proposing to conduct an Entitlement Offer which will result in up to 33,939,634 New Shares being issued at an issue price of \$0.065 per New Share. If fully subscribed, the Entitlement Offer would raise approximately \$2.2 million (before costs), which equates to 16.67% of the issued capital of the Company as at the date of this Notice.

The Entitlement Offer will include a shortfall oversubscription facility which will enable eligible shareholders who take up their entitlement in full (excluding any Underwriters and any persons described in Listing Rule 10.11.1 to 10.11.5) to apply for additional New Shares in excess of their entitlements, subject to the Corporations Act, the ASX Listing Rules, and all other applicable laws and regulations.

The Entitlement Offer is being partially underwritten by a number of parties, including Thorney Technologies Ltd, Tiga Trading Pty Ltd and Jasforce Pty Ltd (together, **Thorney**), Jonathan Beare, and the Placement Participant (together, the **Underwriters**) totalling \$402,946.64. Further, a number of existing eligible shareholders have given the Company written commitments to take up their full entitlements under the Entitlement Offer including Thorney, Jonathan Beare, and directors Rodney Bishop, and Rodney Cuthbert totalling \$693,706.33.

The Underwriters have entered into agreements with the Company on customary terms for underwriting agreements of this nature.

The Company has entered into an underwriting agreement with Thorney (and the Underwriters generally) because the Company considers their participation as Underwriters will attract other shareholders of the Company to participate in the Entitlement Offer beyond what they might have invested had the Underwriters not been involved in the Entitlement Offer.

Effect of the Entitlement Offer on Control of Jayride

Given the structure of the Right Issue as a pro-rata offer, if all eligible shareholders of the Company take up their entitlements, the ownership interest (and voting power) in the Company of each eligible shareholder of the Company will remain largely unchanged and the effect on the control of the Company will be negligible.

To the extent that an eligible shareholder does not take up their entitlement under the Entitlement Offer, that eligible shareholder's percentage holding in the Company's shares will be diluted by the issue of New Shares under the Entitlement Offer.

The aggregate percentage holding in the Company's shares of its shareholders with registered addresses outside of Australia and New Zealand, and certain other foreign jurisdictions in which the Company determines to extend the Entitlement Offer to, will be diluted as a result of the issue of New Shares under the Entitlement Offer.

Thorney presently has a relevant interest in 19.55% of the Company. It is possible that if no eligible shareholders, other than the Underwriters and those who have provided written commitments, take up their entitlements that Thorney's voting power in the Company may increase to a maximum theoretical amount of 21.02% of the Company, post-Placement. However participation by eligible shareholders in the Entitlement Offer will further dilute Thorney's voting power in the Company. For the avoidance of doubt, Thorney is not participating in the Placement.

Accordingly, the Company expects that Thorney will look to rely on Item 10 of section 611 of the Corporations Act in the event the Entitlement Offer results in their relevant interest in the Company exceeding 20%. In order to enable Thorney to rely on that section, in compliance with section 615 of the Corporations Act, the Company proposes to:

- (a) make the Entitlement Offer offer to shareholders in Australia, New Zealand, Israel (and any other jurisdictions where the Company is satisfied that the Entitlement Offer may be made to holders in compliance with applicable laws and without undue cost, expense, or regulation); and
- (b) with respect to holders with registered addresses in other jurisdictions, either seek consent from ASIC for the appointment of a nominee to deal with their entitlements in the manner set out in section 615 of the Corporations Act, or seek relief from ASIC from the application of section 615.

Any acquisition of shares by Thorney under the Entitlement Offer or as an Underwriter will be limited to an increase in their total relevant interest to no more than 20% unless and until the section 615 approval or relief is obtained.

The Company is of the view that any increase in voting power of Thorney is unlikely to result in any material increase in their influence over the Company - particularly having regard to the relatively modest maximum theoretical relevant interest in the Company being 21.02% (post Placement and on the basis that no eligible shareholders, other than those who have provided written commitments, participate in the Entitlement Offer).

The following table illustrates Thorney's maximum potential relevant interest and voting power in the Company under several scenarios where the Placement has been completed and the Entitlement Offer is:

- (a) fully subscribed by other eligible shareholders;
- (b) 75% subscribed by other eligible shareholders;
- (c) 50% subscribed by other eligible shareholders; and
- (d) in the unlikely event that no other eligible shareholders take up their entitlement under the Entitlement Offer:

Participation by other eligible shareholders	Voting power of Thorney
100%	19.06%
75%	20.25%
50%	21.01%
0%	22.53%

This ignores the fact that there are other Underwriters for part of any shortfall shares, and that certain other parties have provided written commitments to take up their full entitlements, making a scenario where no eligible shareholders other than Thorney participate in the Entitlement Offer highly unlikely.

Other than Thorney, the Company does not expect any shareholder’s or Underwriter’s voting power to exceed 20% as a result of the Entitlement Offer or the concurrent Placement.

In the event where the Entitlement Offer is significantly undersubscribed by eligible shareholders, with the result that there is a large number of shortfall shares, the Company intends to mitigate the potential effects on control by ensuring that its allocation policy facilitates the allotment of shortfall shares to a spread of investors, if there are remaining shortfall shares after they have been allocated to the Underwriters pursuant to the underwriting agreements.

For more information please contact

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ASX release authorised by the Company Secretary of Jayride Group Limited.

About Jayride Group Limited (ASX:JAY)

Jayride Group is the world's leading publicly listed airport transfers marketplace, where travellers compare and book rides around the world. With Jayride, travellers can compare and book with 3,700+ ride service companies, servicing 1,600+ airports in 110+ countries around the world which cover 95% of world airport trips, including across the Americas, Europe, Middle East, Africa, Asia and the Pacific.

The Jayride platform aggregates ride service companies and distributes them to travellers at Jayride.com, AirportShuttles.com, and via travel brand partners including other technology platforms, online travel agencies, travel management companies, and wholesalers. These travel brands implement Jayride APIs to sell door-to-door ride services that build traveller confidence and grow their core travel business.

Founded in 2012, Jayride Group is a global remote-first company incorporated in Australia and listed on the Australian Securities Exchange (ASX:JAY).

For more information, please visit www.jayride.com