

29 July 2020

# Yojee June 2020 Quarter Activity Report

## HIGHLIGHTS

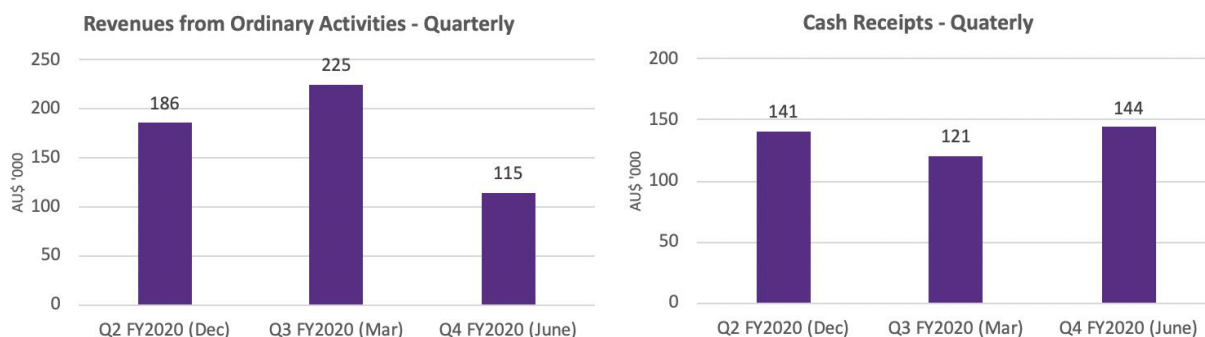
- Global enterprise level 3-year services agreement signed with global top 10 logistics company, Kuehne + Nagel, to roll out Yojee's SaaS logistics platform in the Philippines, that went live ahead of schedule in late June
- Platform proves strong scalability, processing eCommerce transactions as demonstrated by multiple days of 20-25k planned parcel movements and is approaching 200k transactions (up to 23 July) since go-live (24 June), showing readiness for the eCommerce campaign period occurring from July through to Christmas
- Cash receipts for the June ended quarter, Q4 FY2020, of AU\$144k<sup>1</sup>, compared to AU\$121k in the prior quarter
- Further platform adoption by SMEs during the quarter
- Strong cash position following a 42% reduction in net operating costs for the quarter at -AU\$777k<sup>1</sup> compared to the prior quarter, with at bank of AU\$4.32m at 30 June 2020

Yojee Limited (**Yojee** or the **Company**) (ASX: **YOJ**), a cloud-based (SaaS) logistics platform that seamlessly and uniquely manages, tracks and optimises freight movements along the entire logistics chain, is pleased to provide commentary regarding its activities during the June ended quarter, Q4 FY2020.

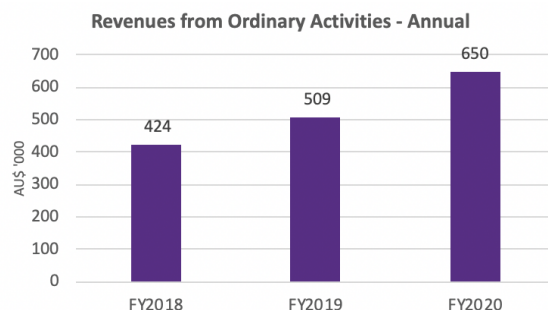
## REVENUE AND CASH RECEIPTS

The Company's attention to detail across all aspects of its financial performance saw a significant closing of the gap between cash receipts and operating costs with adjustments and reductions in spend for the quarter. This led to net operating costs of -AU\$777k<sup>1</sup> for the quarter, a 42% reduction compared to the prior quarter due to the impacts of deferred revenue recognition. On top of this achievement, the team was able to implement its subscription-based SaaS logistics platform and go-live in the Philippines while optimising the technology platform's performance delivering almost 200,000 transactions with almost no additional cloud hosting fees incurred. This highlights the company's cost of scaling ratio efficiencies.

Revenues from Ordinary Activities for the June ended quarter, Q4 FY2020, was AU\$115k<sup>1</sup>, down from the prior quarter of AU\$225k. Cash receipts for the June ended quarter, Q4 FY2020, were AU\$144k<sup>1</sup>, up 19% on the prior quarter of AU\$121k. Annual FY2020 Revenue from Ordinary Activities was AU\$650k<sup>1</sup>, compared to AU\$509k in FY2019, up 29%.



<sup>1</sup> Unaudited.



Following the impact of COVID-19 and the change in strategic sales and marketing direction and internal resourcing allocation, a re-evaluation of customer contracts were undertaken during the quarter which involved customer offboarding processes that were conducted in the ordinary course of business. This is done so in addition to a re-focus on securing enterprise customer contracts. This has impacted the revenue number for this quarter.

Yojee Managing Director Ed Clarke said, "This quarter we have reduced costs, increased cash receipts, signed and deployed a large enterprise project with a top 10 global client, all with no material increase in cloud hosting fees.

We have demonstrated a platform that can deploy cheaply and rapidly, deliver reliably and scale to hundreds of thousands of transactions at a nominal cent transaction cost. All of this was achieved in the face of COVID-19 and remote work.

Additionally, we are experiencing strong demand and subsequent growth from the SME sector as they seek to digitise and deliver to the customers' door following a rapid change in expectations of the consumer economy. We are well on our path to becoming the premier emerging technology in the global supply chain industry. I'm now more positive than ever about the enormous opportunity ahead for us and the revenue upside of our current clients and pipeline.

Several advanced conversations with large international logistics operators are ongoing, and I am excited by the prospect of announcing further contract wins and further geographical and use case adoption from existing clients over the coming quarters. There is a strong momentum for the whole ecosystem from logistics operators, shippers to end customers who are increasingly demanding Visibility, Accountability and Control of goods movements."

#### YOJEE PLATFORM ADOPTION (SMEs)

During the quarter, Yojee continued to receive keen interest from small and medium enterprise (SME) customers for its platform in light of the Covid-19 operating environment, with companies increasingly looking to support rapidly evolving and decentralised supply chains.

During the quarter, several agreements with SMEs were signed, and implementation and configuration completed.

The Yojee platform Dispatch module SaaS customer agreements are based on monthly subscription and transaction volume fees which are tailored to the business model of the relevant customer. Yojee notes that these agreements are not individually material.

#### MAJOR CONTRACTS UPDATE

##### SendSingapore

SendSingapore is Yojee's standalone business offering in Singapore (formerly Send Yojee), although used primarily as a technology testbed. SendSingapore continued to attract clients seeking a viable solution to cater for improved service choice and visibility along with increased freight network volumes during the quarter.

SendSingapore had 3,446 deliveries logged in Singapore on the platform by the company and its downstream partners (4,061 prior quarter).

The SendSingapore business continues to partner with some of Singapore's leading retailers via an Omni-Channel retail strategy. SendSingapore offers great synergy and transparency to the SaaS offering and the 'connected marketplace'.

### Major multinational clients

During the quarter, Yojee signed a global enterprise-level 3-year services agreement with global top 10 logistics company, Kuehne + Nagel, to roll out Yojee's SaaS logistics platform in the Philippines (see ASX announcement 18 May 2020). The platform went live booking transactional volume in late June ahead of schedule following implementation and configuration (see ASX announcement 24 June 2020).

The Company is pleased with the progress and continues to work closely with its other multinational clients and will provide updates by way of ASX release.

### PLATFORM SCALABILITY

The Yojee platform is proving strong scalability, processing eCommerce transactions, showing readiness for the eCommerce campaign period occurring from July through to Christmas. This validates Yojee's cloud-based proprietary Elixir platform capability to operate at scale for enterprise-level clients.

Along with continued heavy use from the Company's SME client base, the platform has demonstrated its ability to date, within an eCommerce single client, to process (up to 23 July):

- Multiple days of 20-25k planned parcel movements and is approaching 200k transactions since go-live (24 June)
- 20-25k planned parcels from a single hub in a day on multiple days
- 80 vehicles in operation from a single planning account
- Over 1,000 parcels collected and cloud-synced from a single location managed efficiently via mobile device

While it is premature to estimate annualised volumes based on transactional volume to date, this has the potential to become material over time.

### CORPORATE

#### Strategy update on customer types and contracted revenues

In recent months the signing of the additional global top 10 logistics clients has led to a re-evaluation of Yojee's strategic sales and marketing direction and internal resourcing allocation.

Interest for Yojee's subscription-based SaaS platform by smaller operators (SMEs) however, remains very strong and Yojee continues to grow this base of clients, however without providing market guidance.

#### Market engagement

An updated investor presentation was released on 18 June 2020. Click [here](#) to view or visit Yojee's website under the 'Investor' tab and 'ASX announcements'.

A number of podcasts and presentations were released on Yojee during the quarter as follows below. Click [here](#) to view or visit Yojee's website under the 'Company' tab and 'Podcast':

- Yojee's CEO Ed Clarke, 'Coffee Microcaps conference' (18 June 2020)
- Yojee's CXO Paul Bell, 'COVID-19 and The Run To The Last Mile' (28 May 2020)

Analyst research reports and notes were released by a number of brokers during the quarter. Click [here](#) to view or visit Yojee's website under the 'Investor' tab and 'Yojee Research'.

#### Cash position

Yojee maintains a strong funding position and cash runway of AU\$4.32m cash at bank (30 June 2020).

## Other

As required by ASX Listing Rules, Yojee notes that the amount disclosed in the Appendix 4C under Section 6, Payments to related parties of the entity and their associates, relates solely to the payments during the quarter of salaries and wages to members of the Board of Directors amounting to AU\$86,000.

This announcement is authorised by the Board of Yojee Limited.

-ENDS-

## For Investor and media enquiries, please contact:

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**About Yojee Limited (ASX: YOJ).** Yojee is a cloud-based (SaaS) logistics platform that seamlessly and uniquely manages, tracks and optimises freight movements along the entire logistics chain, from sender to end customer, across borders and between logistics providers (land, sea, air), with subcontractors and for multi-leg journeys. Rarely is a single carrier servicing an entire goods journey from sender to end customer, or exclusively using one type of transportation method. Yojee ensures connectivity and more efficient planning along the entire journey.

Yojee's customers are predominantly third-party logistics providers (3PL) and logistics subcontractors (2PL) who benefit from:

1. **Managing, Tracking and Auditing goods movements.** All job and location data is made easily accessible and can be shared with up and downstream providers end to end. Customers experience improved delivery windows.
2. **Route and schedule optimisation.** Tracking data allows 2PL and 3PL operators to generate cost savings through Yojee's powerful optimisation capability across vehicle selection, utilisation and routing.

Yojee's solution is flexible and integrates seamlessly through API's into existing logistics provider systems to access and share key data across part or all of the goods journey. The more segments that use Yojee, the more powerful it becomes. Yojee's business is focused on Asia and is expanding rapidly. Yojee's platform has evolved through recent technological developments in cloud-based computing and information processing capability. Yojee continues to develop its visibility, accountability and control solutions across the supply chain. This will see smart information access and activation, providing logistics companies and agencies information such as location, size and weight data, and customs requirements, that is timely, contextually accessible and highly secure.

Yojee services the logistics market at both the SME and enterprise levels with a focus on APAC and todate has signed multi-year enterprise-level agreements with two top 10 global freight forwarders operating in the region.

## FORWARD-LOOKING STATEMENT AND DISCLAIMER

Please note that images used in the Company's ASX announcements are to illustrate concepts only and are not intended to represent commercial Yojee images. Certain statements contained in this ASX release, including information as to the future financial or operating performance of the Company and its projects, are forward-looking statements. Such forward-looking statements:

- (a) are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies;
- (b) involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements; and
- (c) may include, among other things, statements regarding estimates and assumptions in respect of prices, costs, results and capital expenditure, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions. The Company disclaims any intent or obligation to publicly update any forward-looking statements, whether as a result of new information, future events or results or otherwise. The words "believe", "expect", "contracted", "anticipate", "indicate", "contemplate", "target", "plan", "intends", "continue", "budget", "estimate", "may", "will", "schedule", "planned" and similar expressions identify forward-looking statements. All forward-looking statements contained in this ASX release are qualified by the foregoing cautionary statements. Recipients are cautioned that forward-looking statements are not guarantees of future performance and accordingly recipients are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein.

## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

**Name of entity**

YOJEE LIMITED

**ABN**

52 143 416 531

**Quarter ended ("current quarter")**

30 June 2020

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	144	562
1.2 Payments for		
(a) research and development	0	0
(b) product manufacturing and operating costs	(187)	(791)
(c) advertising and marketing	(313)	(946)
(d) leased assets	(2)	(62)
(e) staff costs	(237)	(731)
(f) administration and corporate costs	(324)	(2,241)
1.3 Dividends received (see note 3)	0	0
1.4 Interest received	13	30
1.5 Interest and other costs of finance paid	0	0
1.6 Income taxes paid	0	0
1.7 Government grants and tax incentives	97	99
1.8 Other (provide details if material)	32	1
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(777)</b>	<b>(4,079)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) entities	0	0
(b) businesses	0	0
(c) property, plant and equipment	(5)	(8)
(d) investments	0	0
(e) intellectual property	(282)	(1,178)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
	(f) other non-current assets	0	0
2.2	Proceeds from disposal of:		
	(a) entities	0	0
	(b) businesses	0	0
	(c) property, plant and equipment	0	0
	(d) investments	0	0
	(e) intellectual property	0	0
	(f) other non-current assets	0	0
2.3	Cash flows from loans to other entities	0	0
2.4	Dividends received (see note 3)	0	0
2.5	Other (provide details if material)	0	0
2.6	<b>Net cash from / (used in) investing activities</b>	<b>(287)</b>	<b>(1,186)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	0	6,700
3.2	Proceeds from issue of convertible debt securities	0	0
3.3	Proceeds from exercise of options	0	0
3.4	Transaction costs related to issues of equity securities or convertible debt securities	0	(319)
3.5	Proceeds from borrowings	0	0
3.6	Repayment of borrowings	(46)	(171)
3.7	Transaction costs related to loans and borrowings	(3)	(15)
3.8	Dividends paid	0	0
3.9	Other (provide details if material)	0	0
3.10	<b>Net cash from / (used in) financing activities</b>	<b>(49)</b>	<b>6,195</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	5,491	3,406
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(777)	(4,079)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(287)	(1,186)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(49)	6,195
4.5	Effect of movement in exchange rates on cash held	(61)	(19)
4.6	<b>Cash and cash equivalents at end of period</b>	<b>4,317</b>	<b>4,317</b>

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	4,317	5,491
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>4,317</b>	<b>5,491</b>

**6. Payments to related parties of the entity and their associates**

6.1 Aggregate amount of payments to related parties and their associates included in item 1

6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter  
\$A'000**

86

0

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

The amount in 6.1 relates solely to the payment of salaries and wages to members of the Board of Directors.

**7. Financing facilities**

*Note: the term "facility" includes all forms of financing arrangements available to the entity.*

*Add notes as necessary for an understanding of the sources of finance available to the entity.*

7.1 Loan facilities

7.2 Credit standby arrangements

7.3 Other (please specify)

7.4 **Total financing facilities**

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000

7.5 **Unused financing facilities available at quarter end**

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

**8. Estimated cash available for future operating activities**

**\$A'000**

8.1	Net cash from / (used in) operating activities (Item 1.9)	(777)
8.2	Cash and cash equivalents at quarter end (Item 4.6)	4,317
8.3	Unused finance facilities available at quarter end (Item 7.5)	0
8.4	Total available funding (Item 8.2 + Item 8.3)	4,317
8.5	<b>Estimated quarters of funding available (Item 8.4 divided by Item 8.1)</b>	5.6

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A



## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: .....29/07/2020.....

Authorised by: .....Authorised by the Board as per note 4.....  
(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.