ASX: YOJ

29 October 2020

Yojee September 2020 Quarter Activity Report

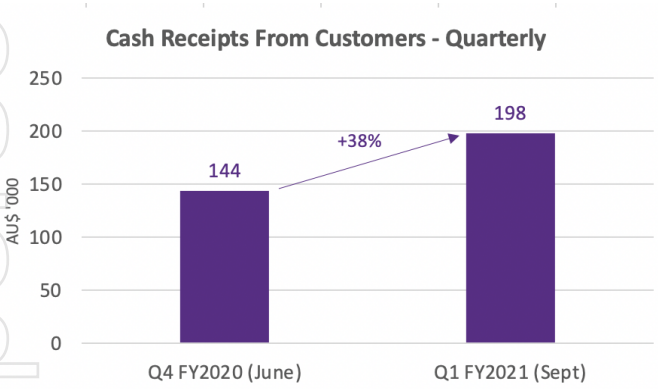
HIGHLIGHTS

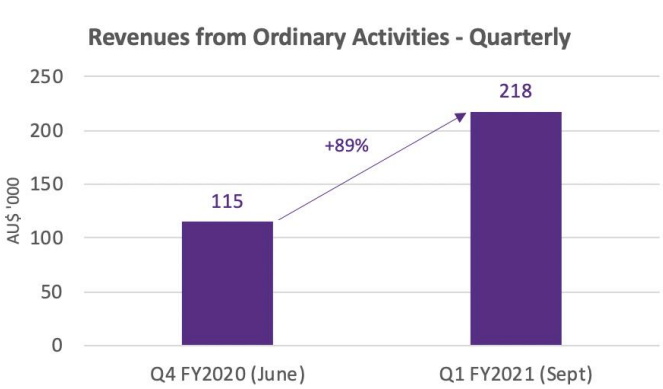
- 89% Revenue Growth and 38% growth in Cash Receipts from Customers for the September ended quarter
- Large "planned delivery" volume growth, totalling 1.4m for the September ended quarter
- A P Moller Maersk group subsidiary 3-year subscription agreement signed to Yojee's Platform
- Geodis extends rollout to wider business across Singapore, Malaysia and Thailand
- Strong cash position with AU$3.4m at bank at 30 September 2020 (excluding recently completed AU$20m placement post-quarter-end)
- Outlook: Yojee expects Maersk's subsidiary and extended scope with Geodis to go live before the end of this calendar year-end for both new agreements

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 September ended quarter, Q1 FY2021.

FINANCIAL RESULTS

Yojee achieved strong growth in Cash Receipts from Customers for the September ended quarter, Q1 FY2021, of AU$198k[1], compared to AU$144k in the prior quarter, up 38%. Revenues from Ordinary Activities were AU$218k, up 89% as multinational client deployments begin to go live.





The Company continues to grow its cash receipts through new project deployments under standard payment terms and maintains a reasonably consistent operating cost base.

Yojee Managing Director Ed Clarke said**,** "This quarter has seen three important achievements that will be more fully realised in coming quarters. Firstly, we are seeing strong transactional volume growth through the Yojee Platform which has been led by eCommerce activity in the Philippines and we expect this trend to continue and translate into strong revenue growth in the coming quarters. The feedback we are receiving from our enterprise clients and their clients about the performance of the Yojee Platform has been excellent.

[1] *Unaudited.*

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Our second achievement has been the addition of global shipping giant Maersk to our portfolio of enterprise clients and the extension of our existing agreement with Geodis. Together with Kuehne + Nagel, we are working with three of the largest freight forwarders and shippers in the world and our partnerships with these groups is only scratching the surface in terms of our potential to move beyond our current footprint within these groups which is currently only touching a select number of first wave countries within APAC of the Philippines, Thailand, Malaysia and Singapore. This presents an enormous opportunity for us to grow within our existing client base and is a significant de-risking of Yojee's future growth curve.

Finally, we completed an AU$20m capital raise after quarter-end in early October. This gives us a very strong balance sheet and runway to execute on our growth strategy with additional world-leading talent already on board to support the business.

Several advanced conversations with large international logistics operators are ongoing as well as conversations around adding countries within the global presence of our existing enterprise clients in which to deploy the Yojee Platform. We are very well placed for these expansions to take place under existing framework agreements with our enterprise clients."

OPERATIONAL

Following the new agreements signed during the quarter with A P Moller Maersk subsidiary, Siam Shoreside Services (Thailand), and the Geodis extension agreement, the team has been busy implementing and configuring Yojee's Platform for these two clients which are expected to go live later this calendar year. The operating cost base is expected to remain largely unchanged in the December quarter.

Planned deliveries, referring to all activity of planning and assigning items (jobs) to drivers for delivery (containers, pallets or parcels) grew very strongly to 1.4m during the quarter proving ability to handle scale and the large volumes attributable to large ecommerce and B2B distribution growth. This was due mainly to the ramping up of activity following a successful implementation and go-live of the Yojee Platform in the Philippines in late June 2020.

YOJEE PLATFORM

Yojee continues to strengthen the capability of its Platform. Currently, 450 APIs of data interchange have been developed (up from 310 in 2017). These APIs allow for sophisticated seamless integration of the Yojee Platform for its clients and partners, such as sub-contractors, customs, cross border systems, warehouse management, toll certification and payment systems across an entire logistics supply chain.

Features and capabilities have been further improved in key areas that strengthen Yojee's product offering in eCommerce and fulfilment including in the areas of dispatch and the mobile app.

MAJOR CONTRACTS AND COUNTRY UPDATE

A P Moller Maersk subsidiary Siam Shoreside Services (SSS), Thailand (announced 3 September): A 3-year subscription agreement was signed during the quarter for Yojee's Platform to be used across all sizes of freight including shipping containers across South East Asia. Under phase 1 rollout, Yojee's Platform will be implemented into SSS Headquarters in Thailand along with supporting locations in South East Asia for end to end supply chain use cases.

Go-live is expected in November of this calendar year. This represents a new large revenue opportunity for Yojee.

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Geodis (announced 24 August): The agreement scope was extended during the quarter to include the rollout of the Yojee Platform across Geodis' more comprehensive product suite in Singapore, Malaysia and Thailand. This will take place under its existing master services agreement (MSA). Go live (track parcels on an ongoing basis) is expected in the December quarter.

The new agreement, a new statement of work (SOW), follows the January 2020 delivered initial project for Geodis' cross-border road network solution.

Philippines: The Company continues to provide its market-leading technology to Kuehne + Nagel to support rapidly growing operations in a booming eCommerce market with over 90 million people.

SendSingapore: Yojee's standalone business offering in Singapore (formerly Send Yojee), is providing important value in Singapore where Covid has changed the manner and location in which work is conducted. Its ability to provide rapid deliveries through optimised technology means the business is attracting more and more customers looking for more time-specific solutions.

YOJEE PLATFORM ADOPTION (SMEs)

The Company has seen a number of SMEs adopt the Platform in the quarter, however, Covid is slowing down some sectors for adoption. This should be well made up for through the large subcontractor base the Company is now turning its attention to in order to assist the Company's multinational clients build out their customer base.

YOJEE IN THE COVID ENVIRONMENT

The Covid era has presented Yojee with an opportunity to bring solutions to prospective clients who are looking to rapidly digitise in order to support remote teams and meet the requirements of home and touchless delivery in the booming ecommerce sector and the now more digitally demanding B2B sector. This has resulted in a number of inbound queries over recent months which have converted to paying customers. There are now unprecedented demands on logistics organisations to provide their clients with visibility and insights across their freight movements.

CORPORATE

Capital raise: Strong financial runway was established following an AU$20m capital raise placement completed in early October 2020 (before fees). A number of new sophisticated investors and funds joined the share register including well known Australian funds.

Cash position: Yojee maintains a strong funding position and cash runway of AU$3.4m cash at bank (30 September 2020), excluding the October completed AU$20 capital raise.

Other

Related party payments: 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$89k.

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Operating expenditure

Expenditure in the September ended quarter relating to the ongoing roll-out of the Yojee Platform amounted to cash outflows of A$1.09m (Section 1.2, Appendix 4C), resulting in a Net Cash from Operating Activities outflow of A$848k (Section 1.9, Appendix 4C).

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'.

OUTLOOK

While Yojee does not provide forward-looking guidance, it is expected that its Platform will go live before the end of this calendar year-end from newly signed agreements with Maersk's Thailand subsidiary, Siam Shoreside Services and with the extended scope agreement with existing client, Geodis, following current implementation and configuration. The Company is very confident about a continued ramp-up of transactional volume in the December quarter.

This announcement is authorised by the Board of Yojee Limited.

-ENDS-

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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 to date has signed multi-year enterprise-level agreements with three top 10 global freight forwarders operating in the region.

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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.

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Appendix 4C

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

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Name of entity

YOJEE LIMITED

ABN	**Quarter ended ("current quarter")**
52 143 416 531	30 September 2020

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (3 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	198	198
1.2	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs	(187)	(187)
	(c) advertising and marketing	(297)	(297)
	(d) leased assets	(4)	(4)
	(e) staff costs	(153)	(153)
	(f) administration and corporate costs	(449)	(449)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	5	5
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	51	51
1.8	Other (provide details if material)	(12)	(12)
1.9	**Net cash from / (used in) operating activities**	**(848)**	**(848)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	(3)	(3)
	(d) investments	-	-
	(e) intellectual property	(275)	(275)
	(f) other non-current assets	-	-

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Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(278)**	**(278)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	288	288
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(46)	(46)
3.7	Transaction costs related to loans and borrowings	(2)	(2)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**240**	**240**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	4,317	4,317
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(848)	(848)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(278)	(278)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	240	240
4.5	Effect of movement in exchange rates on cash held	11	11
4.6	**Cash and cash equivalents at end of period**	**3,442**	**3,442**

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	3,442	3,442
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)[1]**	**3,442**	**3,442**

[1] As announced on 25 Sep 2020, the Company completed a capital raise for $20M on 5 Oct 2020

6.	Payments to related parties of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	89
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

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.

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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.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	-	-

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.

N/A

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(848)
8.2	Cash and cash equivalents at quarter end (item 4.6)	3,442
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	3,442
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	4.1

Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.

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

8.6.1 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: Not applicable

8.6.2 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: Not applicable

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

Answer: Not applicable

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

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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: .....29/10/20.....

Authorised by: .....By the Board.....
(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.

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