

**ASX RELEASE****21 JANUARY 2021**

## **Quarterly Update for the Period Ending 31 December 2020**

### **Highlights**

- **Second consecutive cash flow positive quarter for the Company, with receipts from customers increasing by 160% from \$881k in the September 2020 quarter to \$1.467m in the December 2020 quarter, resulting in year-to-date cash receipts of \$2.348m.**
- **Strong outlook for third quarter FY2021 with receipts from customers from 1<sup>st</sup> January 2021 to date more than \$1million.**
- **Completed settlement of the acquisition of 100% of the shares in Betta Group of Companies Qld Pty Ltd (BGC) for \$5 million in cash and equity.**
- **BGC \$1.6 million EBITDA for 6 months to 31<sup>st</sup> December 2020 (unaudited).**
- **The Company's transport division is recovering with increased receipts generated from existing customers and a positive outlook to substantially grow revenue from relationships with Savills, SGS logistics and Minset.**
- **Orcoda continues to provide vehicles and drivers to Transitcare, with the organisations working together to jointly grow the business.**

**Orcoda Limited (ASX: ODA) ('Orcoda or the Company')** is pleased to provide an update on the Company's activities for the period ending 31 December 2020 ('Quarter', 'Reporting Period') and announce that Orcoda's net cash from operating activities was positive for the second consecutive quarter with positive cash flow also forecast for the March 2021 quarter.

The Quarter was another highly positive period for the Company with receipts from customers increased by 160% (\$586,000) from \$881k in the September 2020 quarter, to \$1.467m in the December 2020 quarter, resulting in year-to-date cash receipts of \$2.348m. The Company holds a strong outlook for the March 2021 quarter, with receipts from customers from 1 January 2020 to date more than \$1 million.

### **Completed Acquisition of BCG**

During the Reporting Period, Orcoda announced that the Company had completed the acquisition of 100% of the shares in Betta Group of Companies Qld Pty Ltd for \$5m in cash and equity.

Betta is a long-standing transport services business specialising in road, rail & air infrastructure power services, and also services Oil & Gas and Mining projects. Betta Power Services is the main business, with the focus of the company predominantly on transport infrastructure related projects in Rail, Road and Air for likes of Aurizon, Ergon Energy, Queensland Rail, PowerLink, Q-Build, Australian Defence Force and the Bowen Basin Mining Industry.

Orcoda's growth strategy through acquisitions is already realising benefits with the purchase of Betta Group providing significant financial and strategic benefits to the Company, due to the ability to consolidate the Betta Group trading for the month of December 2020 into the Company accounts, which has added significantly to Orcoda's cash receipts from customers for the Quarter.

### **Transport Logistics Division**

Although impacted by COVID-19, the Company's transport division is recovering with increased receipts generated from existing customers and a positive outlook to substantially grow revenue from the Company's relationships with Savills, SGS logistics and Minset.

### **HealthCare Logistics Division**

The Company's healthcare division which transports seniors and disabled communities is continuing to be affected by COVID-19, and as result the Company has stopped taking internal bookings due to insufficient travellers, however Orcoda continues to provide vehicles and drivers to Transitcare and will continue to work with them to jointly grow the business. The Company's SaaS platform for Healthcare has continued to achieve good performance during Quarter, with bids currently being reviewed for potential contracts, and if achieved have the potential to provide a solid increase in revenues.

### **Resource Logistics Division**

The Company's Resource Logistics Division continues to prepare for the Mt Buller transport project, which is due to recommence in May 2021, with the Orcoda's first revenue for the 2021 period expected as early as March 2021. Over the Quarter, the division has bid on several large infrastructure projects and the Company looks forward to updating the market. The ability for Betta and Orcoda to bid jointly on major projects will significantly increase the Company's chances of winning these projects.

Betta Group which is now part of our Resource Logistics Division was profitable for the month of December 2020, the first month since acquisition. Betta is currently undertaking significant work, with strong cash receipts from customers for January 2021.

The Company has also researched and developed several new products within its Transport Logistics Division, Healthcare Logistics Division and Resource Logistics Division, with R&D projects and programs that align with Orcoda's strategy for Australian-based R&D, helping the company to continue to improve and innovate its technology and solutions.

### Listing Rule 4.7C.1 and 4.7C.3

The Company has already detailed material business activities in paragraphs above including any material activities during the Quarter.

The Company also reports expenditure of \$67k to related parties with the amounts including payments to the Company's Managing Director, Geoffrey Jamieson of \$53k, Chairman Nicholas Johansen of \$8k and Non-Executive Director Brendan Mason of \$6k.

Orcoda continues to develop opportunities within each division despite COVID-19 and continues to grow the Company by way of acquisition.

The Company would like to thank shareholders, staff, customers and suppliers for their continued loyalty and support and looks forward to updating the market over the coming period.

This announcement was authorised by the Board of Directors.

Geoffrey Jamieson  
Managing Director

**For more information please contact:**  
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-ENDS-

## **ABOUT ORCODA**

*Orcoda Limited (ASX:ODA) is a leading Australian Transport logistics and Transport services provider with expertise in business efficiency and optimisation of processes. We are operational efficiency specialists who supply best-in-class solutions combining technology, management expertise and contracting services that makes our clients among the most productive and cost-effective organisations in their respective industries.*

*Our clients come from a diverse array of industry sectors and include some of Australia's largest companies operating in the resource and infrastructure sectors, transport logistics sector and healthcare logistics sector.*

*Orcoda's combined applications are focused on three key transport sectors: road, rail & air. We pride ourselves in being able to provide technology, management and contracting to transport people, transport goods, develop transport infrastructure and manage transport assets and workforces for oil & gas, mining, and major transport infrastructure project.*

*Website: [Orcoda.com](http://Orcoda.com)*

## Appendix 4C

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

**Name of entity**

Orcoda Limited

**ABN**

86 009 065 650

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

31 December 2020

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	1,467	2,348
1.2 Payments for		
(a) research and development	(175)	(175)
(b) product manufacturing and operating costs	(447)	(851)
(c) advertising and marketing	(11)	(24)
(d) leased assets		
(e) staff costs	(274)	(410)
(f) administration and corporate costs	(710)	(1,249)
1.3 Dividends received (see note 3)		
1.4 Interest received		
1.5 Interest and other costs of finance paid	(15)	(24)
1.6 Income taxes paid		
1.7 Government R&D grants and tax incentives	171	442
1.8 Other (provide details if material)		
<b>1.9 Net cash from / (used in) operating activities</b>	<b>6</b>	<b>57</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	(1,000)	(1,000)
(b) businesses		
(c) property, plant and equipment	(16)	(16)
(d) investments		
(e) intellectual property		
(f) other non-current assets		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 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)		
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(1,016)</b>	<b>(1,016)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
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		
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
3.5	Proceeds from borrowings	200	200
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)	(62)	(104)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>138</b>	<b>96</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	1,540	1,531
4.2	Net cash from / (used in) operating activities (item 1.9 above)	6	57
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,016)	(1,016)

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
4.4	Net cash from / (used in) financing activities (item 3.10 above)	138	96
4.5	Effect of movement in exchange rates on cash held and opening cash and cash equivalent balance of acquired entity as at 1st December	40	40
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>708</b>	<b>708</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	608	1,254
5.2	Call deposits	100	286
5.3	Bank overdrafts		
5.4	Other (provide details)		
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>708</b>	<b>1,540</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	67
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
<i>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. See attached Activity Report.</i>		

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

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>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.</i>		
7.1 Loan facilities		
7.2 Credit standby arrangements		
7.3 Other		
7.4 <b>Total financing facilities</b>		
7.5 <b>Unused financing facilities available at quarter end</b>		
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.		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	6
8.2 Cash and cash equivalents at quarter end (item 4.6)	708
8.3 Unused finance facilities available at quarter end (item 7.5)	
8.4 Total available funding (item 8.2 + item 8.3)	708
8.5 <b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	N/A
<i>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.</i>	
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:	
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:	
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:	
<i>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.</i>	

## 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: 21<sup>st</sup> January 2021

Authorised by: The Board of Directors  
(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.