

**ASX RELEASE****28 April 2022**

## **Quarterly Update for the Period Ending 31 March 2022**

### **Highlights**

- **Cash flow positive by \$282k from operations, being the seventh consecutive operating cash flow positive quarter and a testament to Orcoda's sustainable cash flow generation ability.**
- **Receipts from customers for the quarter of \$4.0 million, a 43% increase from the same quarter last year, totalling \$12.9 million year-to-date.**
- **Cash and cash equivalents of \$2.6 million and available working capital of \$2.8 million, after paying a \$500k cash earn-out as part of the deferred consideration for the acquisition of Betta Group.**
- **Consolidated revenue growth of 135% to \$12.1 million year-to-date, compared to the previous corresponding period.**
- **Positive outlook for all divisions to continue to grow revenue and EBITDA. The Company is on track to deliver record revenue for the full year.**
- **The Company successfully completed a \$700,000 share placement in April and has extended its announced Share Purchase Plan (SPP) to raise up to an additional \$1,300,000 from eligible shareholders.**

Orcoda Limited (ASX: ODA) ("Orcoda" or "the Company") is pleased to provide shareholders and investors with an overview of activities to accompany Appendix 4C, for the quarter ending 31 March 2022 ("Quarter", "Reporting Period").

**Commenting on the Quarter, Orcoda Managing Director, Geoff Jamieson, said:** "The third quarter of FY2022 has seen another cash flow positive quarter of \$282k from operations with receipts from customers of \$4.0 million. As of 31 March 2022, Orcoda has cash and cash equivalents of \$2.6 million after payment of a \$500k cash earn-out in connection with our acquisition of Betta Group, which again enjoyed a strong and profitable quarter. Consolidated revenue stands at \$12.1 million year to date, a 135% increase to the same period last year driven by the Betta Group acquisition and underlying growth from our divisions. The Company continues to focus on growing its core business across all divisions, and we are expecting a strong fourth quarter and a record revenue for the full financial year.

We are expecting strong growth and taken some further capital steps to position Orcoda to capture growth opportunities as and where necessary despite a good level of funds on hand. We successfully raised \$700,000 in a recent share placement, and as requested by shareholders previously, we took the opportunity to launch a Share Placement Plan (SPP) for raising up to another \$1,300,000. Because of holiday periods and some logistical issues, plus the Board's desire for this quarterly report to be in the hands of eligible shareholders, we have extended it, as of today until the 11 May 2022. Each Director is supportive of our SPP and has or will submit respective applications.

We hope that the material impact of COVID-19 is behind us. Given significant momentum across each division, I am excited about Orcoda's growing capability to extend its role as an innovative leading Australian provider of a smart transport technological and logistic solutions for current and future clients."

## FINANCIAL

### Customer Receipts and Cash Flows

The Company recorded its seventh consecutive cash flow positive quarter from operations of \$282k, with receipts from customers for the quarter of \$4.0 million, totalling \$12.9 million year-to-date.

### Revenue

Consolidated revenue has continued to grow strongly with consolidated revenue year to date of \$12.1 million, compared to \$5.1 million (pro forma \$8.7 million including Betta Group for the entire nine months) for the previous corresponding period, an increase of 135%.

### Cash Position

Orcoda ended the quarter with a cash and cash equivalent balance of \$2.6 million which is after a \$500,000 cash earn-out payment in relation to the acquisition of Betta Group. Available working capital as of 31 March 2022 was \$2.8 million, which includes our undrawn financing facilities.

To support the growth of the healthcare division and other general working capital and invest in its core businesses. In April we successfully completed a \$700,000 share placement and are currently undertaking a Share Purchase Plan (SPP) to raise up to an additional \$1,300,000 from eligible shareholders.

## OPERATIONAL

### Resource Division

The Resource Division continues to be the Company's standout division, generating strong revenue growth during the quarter with Betta Group winning plenty of new work during the quarter and is currently tendering for over \$10 million of work. The Company is currently exploring the potential expansion of Betta Group beyond its Central Queensland regional base. We are seeing significant growth opportunities across selected parts of Queensland, and we believe there is a significant opportunity for us to leverage Betta's brand, capabilities, and relationship with the existing customer base to selectively enter other regions via a low-risk and low-capital intensive expansion strategy.

The Resource Division is preparing for the Mt Buller transport project to restart in May/June for the 2022 snow season.

On the back of the United States Patent granted in December 2021, titled "Booking System for Personnel Supply Chains", preparatory work is underway of a Series A capital raise to fund expansion given the Company believes it has a large addressable market for its Orcoda Workforce Logistics Management (OWLS) platform. This includes an innovative front-end booking system for managing the transport of mobile workforce as well as the assets they travel in. Further details of that proposed capital raise are described in the ASX release made on 20 April 2022, which relates to the US patent which was and was first referred to in the market release on 15 December 2021. Orcoda will take steps to liaise with ASX to ensure any shareholder approvals that are triggered if a release of the scope outlined

in the 20 April 2022 release is agreed upon prior to executing final documentation, as such a step would foreseeably require a chapter 11 formal submission.

### **Healthcare Division**

The Orcoda Healthcare Division has strong momentum on the back of recent contract wins, and the division is continuing to grow its recurring revenues.

We are particularly excited about the integration of Orcoda Logistics Management System (OLMS) with Teletrac Navman, a leading global telematics company, to provide an integrated smart technology for a first contract win with Burnie Brae, which was announced to the ASX on 23 March 2022. The integration provides a unique and powerful platform for Orcoda and Teletrac Navman to target and win further contracts in the Healthcare Division as well as other industry verticals, and we have already received several new enquiries and are actively introducing this combined technology solution to prospective clients.

### **Transport Division**

Our Transport Division is continuing to grow revenues with a new contract commenced in February. Business origination activities have been hampered by COVID-19, but with the easing of social restrictions, we are in active dialogues with several prospective clients and showcasing how the OLMS platform can help them with their digital supply chain transformation. We are optimistic to convert some of these discussions into contract wins in the coming months, particularly through the Company's relationships with Savills and SGS Logistics. Specifically, the division is currently in negotiations on two sizeable contracts that once contracted will add to the revenues.

The division also developed two very innovative and unique inventions, one being a dynamic solver added to the platform that facilitates on-demand transport and scheduled transport on the one platform; the other being a notify app that facilitates notifications to customers in real-time which is critical to transport operators.

### **Corporate**

We are continuing to execute on our long-term vision of developing an eco-system of Intelligent Transport Management System (ITMS) to drive continual digital transformations and optimisations of our client's supply chain processes and deliver a fully integrated transport solution. Betta Group, which is part of the Resource Division, is an integral part of Orcoda's smart-city strategy as it possesses the installation and project management capabilities that government organisations are increasingly looking for in their smart city project tenders. Our strategy is to actively position ourselves as a leading player in the smart city infrastructure build-out which we expect will accelerate across Australia over the next decade.

The Company also continues to research and develop other new products within the Transport, Healthcare and Resource Divisions to stay ahead of the curve. These projects and programs reflect Orcoda's support for Australian-based R&D, which helps the Company to continue to improve and innovate its software and solutions.

As disclosed in our half-yearly financial report and ASX announcements, Geoff Williams, the Managing Director of Betta Group (part of the Resource Division), has resigned from the Board of Orcoda in February to continue to focus on growing the Betta Group. Also in February, we appointed Sam Yue as

our Chief Financial Officer. Sam has significant investment banking and corporate finance experiences, and he is working closely with the executive team to manage the financial affairs of the Company and execute organic and inorganic strategic initiatives.

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

The Company has detailed material business activities during the Quarter in the paragraphs above, and as required provides a breakdown of expenditure in accordance with Appendix 4C 1.2 which is not self-explanatory as follows:

1.2 (b) product manufacturing and operating costs of \$1,458k, relate to cost of goods sold of \$1,260k associated with Betta Group, \$107k Resource Logistics Mt Buller project and \$57k related to Healthcare Division's vehicle costs and the balance of \$34k related to Transport Division.

1.2 (f) administration and corporate costs of \$820k, relate to admin & corporate costs associated with Betta Group for the quarter of \$415k, Audit, ASIC and listing costs of \$58k, admin and corporate costs of running divisions of \$185k and expenditure of \$162k to related parties (the amount included payments to the Managing Director, Geoffrey Jamieson, of \$89k; the Chairman, Nicholas Johansen, of \$14k; Executive Director, Geoffrey Williams, \$46k; Non-Executive Director, Stephen Pronk, of \$4k; and Non-Executive Director, Brendan Mason, of \$9k).

The Company is continuing to develop opportunities within each division and continuing to grow the Company organically and by pursuing potential acquisitions that are value accretive to our shareholders. We are looking forward to a future where dividends are being paid to shareholders.

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.

**Geoffrey Jamieson**  
**Managing Director**

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-ENDS-

*This ASX release is authorised by the Board of Orcoda Limited.*

**ABOUT ORCODA**

*Orcoda Limited (ASX:ODA) is a leading provider of smart technology solutions for transport logistics and transport services 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 resources (mining, oil & gas and infrastructure), transport logistics and healthcare transport sectors.*

*Orcoda's combined expertise is focused on three key sectors of transport logistics technology and transport services: road, rail and air. We pride ourselves on enabling our clients to generate fast, accurate and reliable information, ensuring they are able to make the best business decisions the first time, every time and on time.*

[www.orcoda.com](http://www.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 Mar 2022

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	3,992	12,890
1.2 Payments for		
(a) research and development	(310)	(523)
(b) product manufacturing and operating costs	(1,458)	(4,610)
(c) advertising and marketing	(11)	(19)
(d) leased assets		
(e) staff costs	(1,089)	(3,367)
(f) administration and corporate costs	(820)	(3,253)
1.3 Dividends received (see note 3)		
1.4 Interest received	0	1
1.5 Interest and other costs of finance paid	(22)	(47)
1.6 Income taxes paid		
1.7 Government R&D grants and tax incentives	0	487
1.8 Other (provide details if material)		
<b>1.9 Net cash from / (used in) operating activities</b>	<b>282</b>	<b>1,559</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	(500)	(1,000)
(b) businesses		
(c) property, plant and equipment	(352)	(559)
(d) investments		
(e) intellectual property		
(f) other non-current assets		

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
2.2 Proceeds from disposal of:		
(a) entities	0	3
(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)	(10)	(9)
<b>2.6 Net cash from / (used in) investing activities</b>	<b>(862)</b>	<b>(1,565)</b>

<b>3. 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	0	850
3.6 Repayment of borrowings	0	(606)
3.7 Transaction costs related to loans and borrowings		
3.8 Dividends paid		
3.9 Other (provide details if material)	(40)	(118)
<b>3.10 Net cash from / (used in) financing activities</b>	<b>(40)</b>	<b>126</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	3,211	2,471
4.2 Net cash from / (used in) operating activities (item 1.9 above)	282	1,559
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(862)	(1,565)

Appendix 4C  
Quarterly cash flow report for entities subject to Listing Rule 4.7B

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(40)	126
4.5	Effect of movement in exchange rates on cash held		
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>2,591</b>	<b>2,591</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	2,382	3,002
5.2	Call deposits	209	209
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>2,591</b>	<b>3,211</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	162
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>		



<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 approved but not drawn	0	0
7.2 Credit standby arrangements	90	0
7.3 Other (R&D refund)	140	0
<b>7.4 Total financing facilities</b>	<b>230</b>	<b>0</b>
<b>7.5 Unused financing facilities available at quarter end</b>		<b>230</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.		
NAB overdraft facility undrawn		
R&D refund amount		

<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)	282
8.2 Cash and cash equivalents at quarter end (item 4.6)	2,591
8.3 Unused finance facilities available at quarter end (item 7.5)	230
8.4 Total available funding (item 8.2 + item 8.3)	2,821
<b>8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	<b>N/A</b>
<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: 28 April 2022

Authorised by: 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.