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ASX RELEASE

2 June 2023

Acquisition of Future Fleet International Pty Ltd

Orcoda Limited (ASX: ODA) ('Orcoda' or 'the Company'), the transport logistics optimisation and infrastructure services company, is pleased to announce that it has entered into a Share Purchase Agreement to purchase 100% of the shares in Future Fleet International Pty Ltd ('Future Fleet') (the 'Acquisition').

Future Fleet, established in 2003 and based in Brisbane, is a world-leading provider and innovator of advanced fleet management systems, including telematics, asset tracking, AI (Artificial Intelligence) powered driver fatigue & distraction detection technology and cold chain logistics assurance services. They currently manage over 6,400 vehicles in transport, mining, services, government, farming and private sectors.

In FY2022, Future Fleet achieved revenue of ~\$3.5 million and EBITDA of ~\$0.5m (subject to due diligence and adjustments), with a substantial recurring income base derived from monthly subscription fees.

The total purchase price for the Acquisition is \$1,390,000 plus stock (inventory) at value, payable as follows:

- (a) \$600k cash at settlement, plus SAV (stock at value) in cash at settlement (\$210k based on current estimate subject to adjustments at settlement);
- (b) \$500k in Orcoda fully paid ordinary shares to be issued at 25 cents per share at settlement; and
- (c) \$290k in earn-out in two instalments over 12 months from settlement date, comprising: i) first instalment of \$145k payable after 6 months subject to Future Fleet EBITDA being at least \$100k in the first 6-month period, and ii) second instalment of \$145k payable after 12 months subject to Future Fleet EBITDA being at least \$150k in the second 6-month period.

The total number of consideration shares is 2,000,000 ODA Ordinary Shares, which is within our current available placement capacity under the ASX Listing Rules 7.1. Upon completing the Acquisition, Future Fleet's current owners will hold approximately 1.2% of the Company's enlarged share capital. The consideration shares will be escrowed for 12 months from the issuance date.

Orcoda intends to fund the cash components of the purchase price from its existing cash reserves without new equity or debt financings. As of 31/3/2023, Orcoda had available working capital of \$5.4 million.

Michael Worthington, Future Fleet founder, said that "I am proud to have built Future Fleet into a leading Australian fleet management systems provider. I am excited that Future Fleet is joining the Orcoda portfolio as I strongly believe that the combination will add significant value to the business and take it to the next phase of growth. I look forward to the combined entity's future successes and intend to continue to be involved with Future Fleet in a consulting capacity".

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Geoff Jamieson, Orcoda Managing Director, commented “Future Fleet is a perfect fit into our Healthcare & Transport Logistics division as we integrate and combine our proprietary apps and Orcoda Logistics Management System (OLMS) with Future Fleet’s telematics devices to provide optimisation and real-time management capabilities to its customers. I expect significant cross-selling opportunities as we serve similar market segments and our combined hardware and software offerings will be welcome by our targets customers as they seek to accelerate their digital transformation journey”.

The settlement of the Acquisition is conditional on satisfactory due diligence, with the settlement date expected in July 2023.

Additional information on Future Fleet and the strategic rationale of the Acquisition can be found in the presentation contained in this announcement.

For more information, please contact:

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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 make our clients among the most productive and cost-effective organisations in their respective industries.

Our clients are 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 the three key sectors of transport logistics technology and transport services whether on road, rail or 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.

Please sign up to our Interactive Investor Hub <https://investorhub.orcoda.com/> for our Company announcements, receive updates and interact with Orcoda management.

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ACQUISITION OF FUTURE FLEET – TRANSACTION OVERVIEW

Orcoda Limited (ASX:ODA)

Australia's leading smart technology solutions provider in
transport logistics and transport services

2 June 2023



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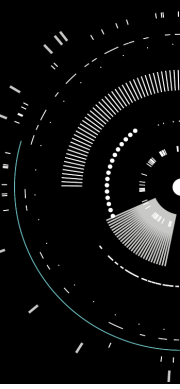
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ACQUISITION OF FUTURE FLEET – TRANSACTION OVERVIEW



Target

- ❖ Future Fleet International Pty Ltd (“Future Fleet”)
- ❖ Established in 2003 by current owners, Brisbane based
- ❖ A leading provider and innovator of fleet management systems in Australia, currently manages ~6,400 vehicles in transport, mining, services, government, farming and private industries

Key Products and Services

- ❖ Vehicle tracking devices that connect into telematics
- ❖ Cold chain temperature monitoring and control solutions
- ❖ Driver safety monitoring solutions (AI powered fatigue & distraction detection)
- ❖ Car pooling management solutions

Target Financials

- ❖ FY22 revenue ~\$3.5m, EBITDA ~\$0.5m (unaudited, subject to potential adjustments)
- ❖ Substantial recurring income from monthly software fee

Purchase Price

- ❖ \$1,390,000 + SAV at closing (current estimate \$210k subject to adjustments), comprising:
 - \$600,000 cash at settlement (to be funded by Orcoda’s available cash reserve)
 - \$500,000 of new Orcoda ordinary shares issued at settlement at \$0.25 per share; subject to a 12-month escrow
 - \$290,000 earn-out in 2 instalments – i) \$145,000 payable after 6 months if 6-month EBITDA > \$100k; and ii) \$145,000 payable after 12 months if second 6-month EBITDA > \$150k

Other Key Terms

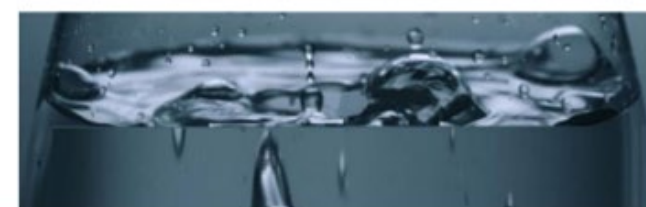
- ❖ Settlement conditional on satisfactory due diligence
- ❖ Expected settlement date: July 2023

Leading provider of IoT, AI Powered, satellite and 4G/5G tracking solutions

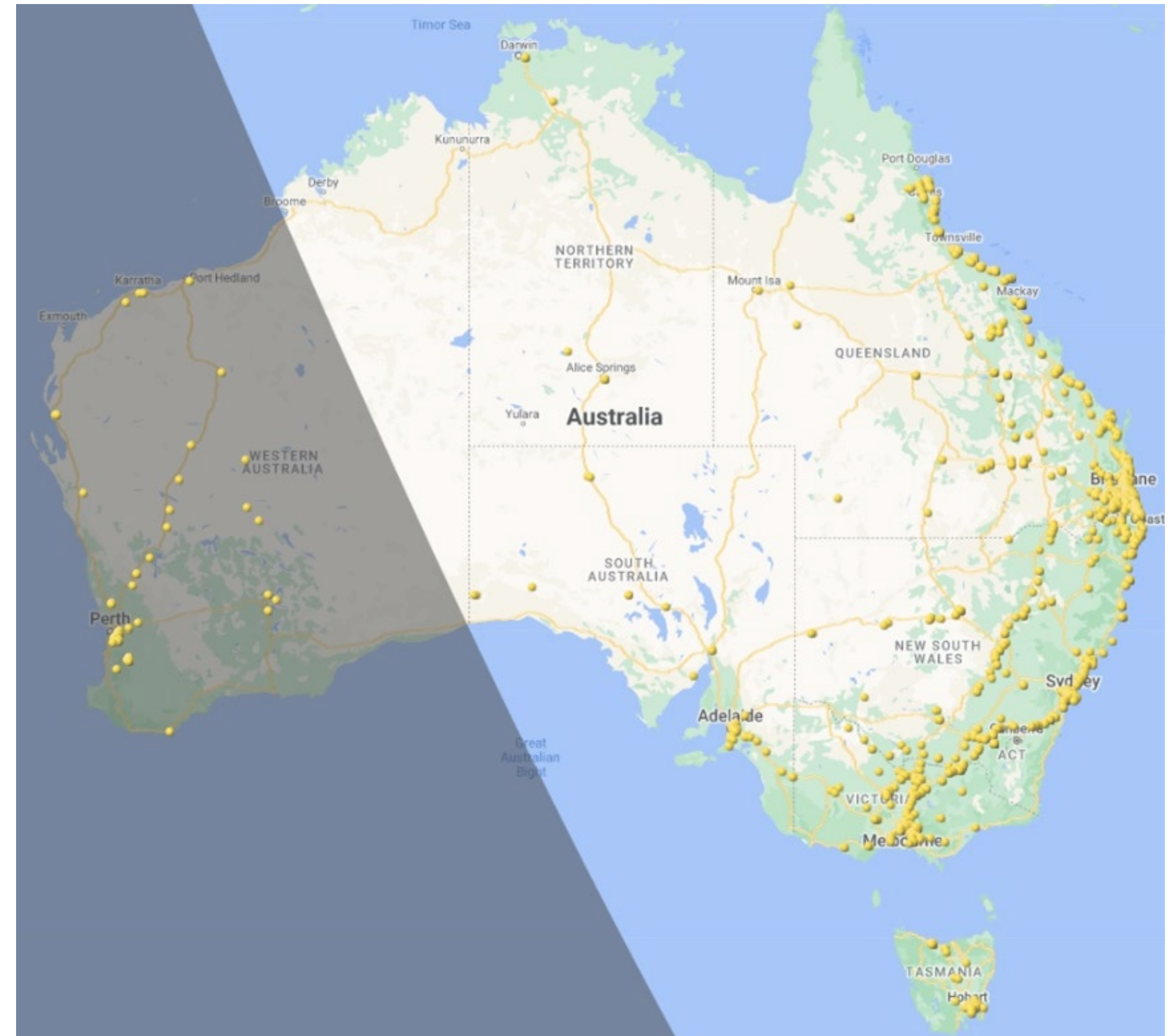
Future Fleet Solution Matrix



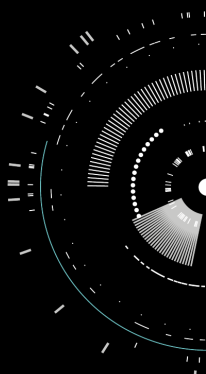
Future Fleet manages over 6,400 vehicles and growing



Water. Essential, safe, affordable . . .



Real-Time Tracking Map: Customer vehicles (excluding rails) using Future Fleet's software platform



Future Fleet and Orcoda across the freight / transport logistics supply chain ecosystem



DRIVER MANAGEMENT

- Driver log and management
- Fatigue management
- Distraction management
- Compliance assurance and monitoring

ASSET TRACKING

- Track asset location real time
- Engine management
- Fuel usage
- Compliance assurance

FREIGHT MANAGEMENT

- Freight visibility
- Freight location
- Freight condition (e.g. cold chain temperature)
- Predict ETA

TMS AND OPTIMISATION

- Booking System
- Route & Scheduling
- Optimisation
- AI powered to solve constraints real time

TMS: Transport Management System



- ❖ Proprietary software platform with real-time booking, routing, scheduling and optimisation capabilities
- ❖ Transport management system
- ❖ Clients in transport, healthcare and infrastructure sectors
- ❖ ASX public company with greater access to capital

- ❖ Fleet management solutions
- ❖ Large Client base
- ❖ Manages over 6,400 vehicles for clients across transport and other sectors
- ❖ Government accredited transport systems supplier



- ❖ Complementary products
- ❖ Product integration
- ❖ Cross-selling between existing clients
- ❖ Combine organisational resources, expertise and network
- ❖ EPS accretion in year 1; increases Orcoda recurring revenue base

GEOFF JAMIESON
MANAGING DIRECTOR

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