

Orcoda Limited
Unit 312, 434 St Kilda Road,
Melbourne, Vic, 3004 Australia
Tel +61 3 9866 7333
www.orcoda.com

ASX ANNOUNCEMENT – ORCODA LIMITED (ASX:ODA)

31 March 2019

Financial Commentary Accompanying Appendix 4C

Orcoda Limited (ASX:ODA) ('Orcoda or the Company') is pleased to announce that our cash outflow for the third quarter to 31 March 2019 is continuing to decrease. Our actual cash outflow for the third quarter to 31 March 2019 was \$297k, which was \$381k lower than the 31 December 2019 projections. We are confident that our financial systems can accurately predict our future cash position.

Quarter ended	31/12/2018	31/03/2019	30/6/2019 projection
Projected cash out	\$853k	\$678k	\$693k
Actual cash out	\$503k	\$297k	-
Difference	\$350k better	\$381k better	-

The third quarter improvements in the results were due to continued cost reductions across the whole organisation, with management and directors deferring fees.

Improvements to our end of quarter cash position of \$506k will come from several initiatives:

- The company will receive an estimated R&D Tax Incentive refund of \$440k for the 2017/18 financial year, anticipated to be paid by the end of this quarter. The tax incentive has been granted to reflect Orcoda's support for Australian-based R&D and will help the company to continue to improve and innovate its software and solutions.
- Receipts from annuity revenue customers and other revenues should book approximately \$700k in the quarter ending 30 June 2019.
- The trade sale of the China based businesses is expected to settle in the next quarter.
- The company raised \$1,000,000 from a share placement with the full funds received by the Company on the 5th April 2019.

The company is pleased to advise that the Transport Logistics division has lowered overheads, increased revenues and is making a profit. The Healthcare Logistics division made its first profit in the December half and continues to expand its revenues with income coming in from Licensing, user Acceptance testing of our software and income being generated from Company vehicles. The Resources Logistics division made a profit for the March quarter and has a healthy funnel of sizeable opportunities, with multiple quotes and tenders currently being considered by our large mining customers.

The Parent Company overheads have now been reduced substantially and with the Divisions starting to generate profits the future looks good for the Company and if forecast revenues are achieved the Company may make its first quarterly profit in the next quarter.



Geoffrey Jamieson
Managing Director

For more information please contact:

Geoff Jamieson

+61 3 9866 7333

-ENDS-

ABOUT ORCODA

Orcoda Limited (ASX:ODA) is a leading Australian logistics solution provider with expertise in business efficiency and optimisation of processes. We are operational efficiency specialists who supply best-in-class solutions combining software, 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 and infrastructure, transport and logistics and healthcare sectors.

Orcoda's combined applications are focused on three key business sectors: healthcare, transportation and resources. 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.

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

Orcoda Limited

ABN

86 009 065 650

Quarter ended ("current quarter")

31 March 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	400	1,097
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs	(124)	(354)
(c) advertising and marketing		
(d) leased assets		
(e) staff costs	(72)	(510)
(f) administration and corporate costs	(498)	(1,831)
1.3 Dividends received (see note 3)		
1.4 Interest received	(3)	4
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(297)	(1,594)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment		
(b) businesses (see item 10)		
(c) investments		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
	(d) intellectual property		
	(e) other non-current assets		
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment		
	(b) businesses (see item 10)		
	(c) investments		
	(d) intellectual property		
	(e) 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		

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares		
3.2	Proceeds from issue of convertible notes		
3.3	Proceeds from exercise of share options		
3.4	Transaction costs related to issues of shares, convertible notes or options		
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (Bond)		
3.10	Net cash from / (used in) financing activities		

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of quarter/year to date	803	2,397
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(297)	(1,594)
4.3	Net cash from / (used in) investing activities (item 2.6 above)		
4.4	Net cash from / (used in) financing activities (item 3.10 above)		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of quarter	506	803

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	186	233
5.2	Call deposits	320	570
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)	506	803

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter
\$A'000**

69

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter
\$A'000**

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities		
8.2 Credit standby arrangements		
8.3 Other (please specify)		
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	
9.2 Product manufacturing and operating costs	(118)
9.3 Advertising and marketing	
9.4 Leased assets	
9.5 Staff costs	(119)
9.6 Administration and corporate costs	(456)
9.7 Other	
9.8 Total estimated cash outflows	*(693)

* Orcoda Limited is an operating business that generates cash inflows each quarter, including receipts from customers. The above summary of anticipated cash outflows does not fully reflect the anticipated net cash flows for the following quarter, as it excludes cash inflows (such as receipts from customers).

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity		
10.2 Place of incorporation or registration		
10.3 Consideration for acquisition or disposal		
10.4 Total net assets		
10.5 Nature of business		

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.

Sign here: 
(Director)

Date: 30/4/19.

Print name: Geoffrey Jamieson

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.