

19 January 2022

Yojee December Quarter Q2 FY2022 Activity Report

Hub Expansion Strategy On Track

HIGHLIGHTS


- Enterprise customers and hubs expand, validating Company's strategy and exponential revenue growth capacity with revenue up 58% on prior quarter to AU\$531k (up 160% same quarter prior year), Cash Receipts up 56% on prior quarter to \$346k
- Success with Container and Pallet hub strategy which results in higher revenue per transaction and expansion into Europe; key drivers in quarter where recurring type revenue being the main contributor to results
- 11 live hubs (3 hubs going live late in reporting quarter not yet contributing meaningfully to revenue), further 3 under implementation plus advanced discussions for further hubs across all 4 enterprise clients
- Strong cash runway (AU\$15.4m) to support hub development, along with the promising 'Smart Connected Warehouse' product in beta phase places the Company in an exceptional position for further growth across coming quarters and in the longer term

Yojee Limited (**Yojee** or the **Company**) (ASX: **YOJ**), is a cloud-based software as a service (**SaaS**) logistics platform that facilitates the flow of freight movements into a single ecosystem, making the complex process of managing land transport simple and reducing carbon emissions for a greener planet. The Company is pleased to provide commentary regarding its activities during the December ended quarter, Q2 FY2022.

OPERATIONS AND GROWTH

The global acceleration of digitisation and digital transformation provide strong tailwinds for Yojee, which although has seen variation in project speeds due to Covid, is now driven via strong business leader commitment and customer wide focus on the use of technology to drive ESG initiatives, shipper visibility and efficiency.

Following full year FY2021 Trade Revenue of AU\$1.06m, the December Q2 FY2022 Revenue of AU\$531k demonstrates an implied annual revenue run rate multiple of AU\$2.12m (4 x AU\$531k) in the 3 month period immediately following which demonstrates and validates the exponential acceleration of the



business via its global leader and network strategy. The December Quarter revenue represents 160% year on year growth as the Company continues to support its customers' key digitisation strategies.

In terms of expenditure, Net Cash from Operating Activities outflows reduced 3.6 % to AU\$1.3m, with a focus on investing in research and development, execution on expansion hubs and customer success. This has led to demonstrable efficiency gains in areas such as time to deployment and go live across hubs, entrance into the European market and the successful proof of concept with a major enterprise of the Yojee 'Smart Connected Warehouse' product. All of these initiatives open up significant short, mid and long term revenue opportunities to support exponential revenue growth across a 10 year horizon and beyond.

Yojee ended the quarter with a strong cash position of AU\$15.4 million allowing for continued strategic execution of key initiatives and the company exceeding expectations in terms of number of top 10 enterprise customers and regions in the short term.

MANAGING DIRECTOR'S UPDATE AND OUTLOOK

Yojee Managing Director Ed Clarke said, "The Company was able to realise the incredible work it did in previous months to hasten rollouts and growth whilst building customer satisfaction through investment and execution on the product roadmap. Last quarter I stated we see the results coming from our activity and strategy, and already this quarter we can see that happening, validating the Company's strategy and exponential revenue growth capacity.

Notwithstanding ongoing covid effects, we continue to lead with innovation and customer centric decisions which has been reflected in our incredible revenue growth in the quarter. Yojee is significantly growing its revenue without significant reductions in its embedded growth potential. We are really encouraged that we are deploying faster and faster, with examples of under 4 weeks from signature, whilst having a healthy roadmap of new hubs and clients in place.

We are very focused on execution and growth and are excited for a strong calendar 2022 in both market share and revenue growth."

Current Enterprise Client Pipeline, Implementation and Roll-Out¹

Yojee's Platform continues to be delivered in line with implementation schedules set out by its base of existing global Enterprise Clients. These clients total 4 which are global top 10 logistics groups. See the end of this announcement for further information and links to prior announcements of contracts signed.

Late in the quarter, 3 hubs were implemented and went live becoming revenue generating, however had little impact on the December quarter due to timing. Hubs undergoing implementation at the end of the quarter total 3, and are expected to be live in the current quarter (Q3 FY2022) representing meaningful expansionary and go-live activity from all 4 of Yojee's contracted global top 10 logistics groups.

The 10 live and revenue generating Logistics Hubs in APAC and a first hub in Europe for a total of 11 hubs validates the plan and builds the foundations for progressive growth of future hubs, transactional volume and revenues in the Enterprise Client space (see below table).

Growth Opportunity and Growth Levers

The Company has significant growth potential in its pipeline embedded in its existing global Enterprise clients' APAC footprint which it is focused on growing over the next three years accounting for 126 hubs¹, plus a strong pipeline of logistics operators around the region and in new regions as demonstrated in the quarter.

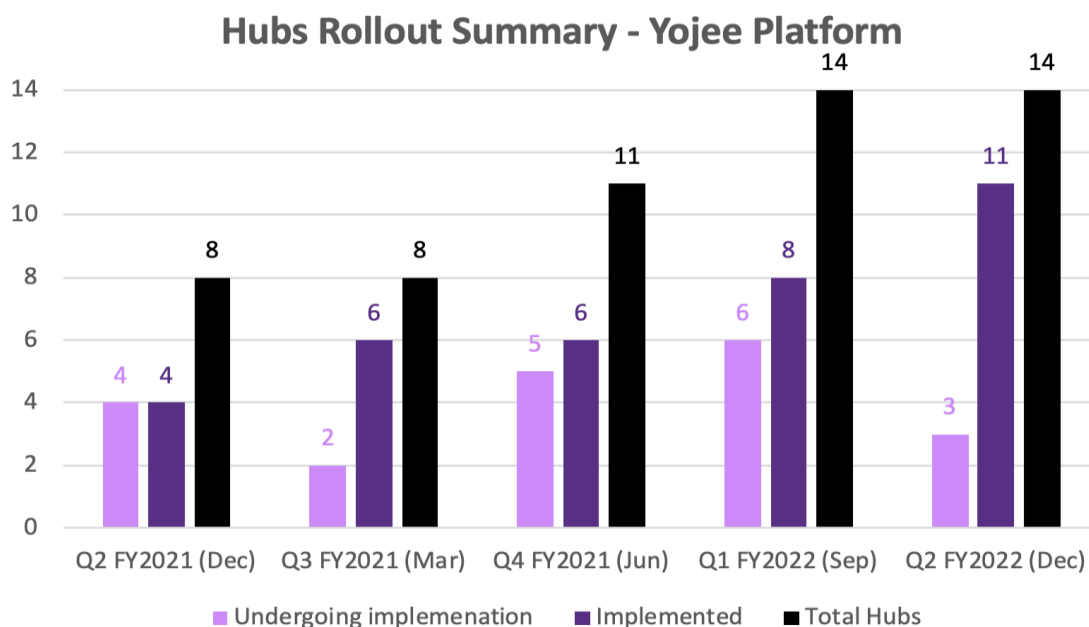
Yojee is focused on further developing its embedded growth within and beyond its current hubs in APAC with existing Enterprise Clients and is in advanced discussions.

Additionally, the Company is having success in the Small and Medium Enterprise space, with a growing number of independent, 'Yojee Logistics Network Partner' (partner to a global top 10) and country leading companies joining as clients or in advanced stages of discussion. These clients represent a significant mid to long term opportunity for the Company as the strategic focus evolves.

Hubs Rollout Summary – Yojee Platform

	Hubs undergoing implementation	Hubs implemented (revenue generating)	Hubs total	Hubs embedded growth rollout (over 3 years)	Proven value of a hub (12 month period)
Total (this announcement)	3	11 (9%) ²	14 (11%) ²	126 ¹	\$300k
Total (prior quarter)	6	8 (6%) ²	14 (11%) ²	126 ¹	\$300k

Note: table excludes recently announced expansion contracts which are at a planning stage.



Yojee 'Smart Connected Warehousing'

Following the launch of 'Yojee Labs' (Labs) in September 2021, a commercial beta model of this first solution to come out of Labs, 'Smart Connected Warehousing' using IoT, was launched during the quarter. This follows testbed development and moving proof of concept (POC) programs into commercial discussions. See ASX announcements: [1 September 2021](#) and [15 December 2021](#). A partnership was signed with HERE Technologies to enhance the solution in late December 2021 – see [ASX announcement 29 December 2021](#).

YoRate pricing module

Yojee released the 'YoRate' pricing module into closed Beta status during the quarter, its most significant product upgrade in 2021. Live testing in commercial environments is underway. This solution delivers granular profitability and procurement data to enable real-time and analysis of profitability across a matrix of factors such as per movement, per customer and per service type. See [ASX announcement 30 November 2021](#) for further detail.

Logistics Network Partners

The Company has grown its network of downstream logistics partners and has reached 100+ downstream network partners working under its current Enterprise Clients (subcontractors).

The addition of logistics network partners is a substantial achievement for Yojee and its customers in building ecosystems to support transactional revenue growth. The Company sees strong potential in this area for future growth. See the March 2021 quarterly report for commentary on network benefits ([ASX announcement 19 April 2021](#)).

Small and Mid-Sized Roll-out

The Company signed several agreements with small and mid-sized companies throughout the quarter in the SME sales program.

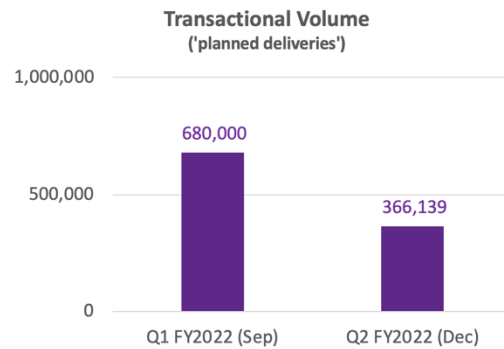
Yojee Platform

The Yojee Platform continues to achieve strong value add for its Enterprise Clients as demonstrated by improvement of delivery efficiency and strong customer feedback through both formal reviews and statistical surveys to the user base.

Transactional volume

The Yojee Platform processed 366,139 'planned delivery'³ transactions during the December quarter across its live Logistics Hubs in APAC and Europe regions. The variation is attributed to changes in movement types and patterns (between containers, pallets and parcels) assigned by our clients and their customers for execution. Containers and pallets equate to less actual volume but higher per movement revenue.

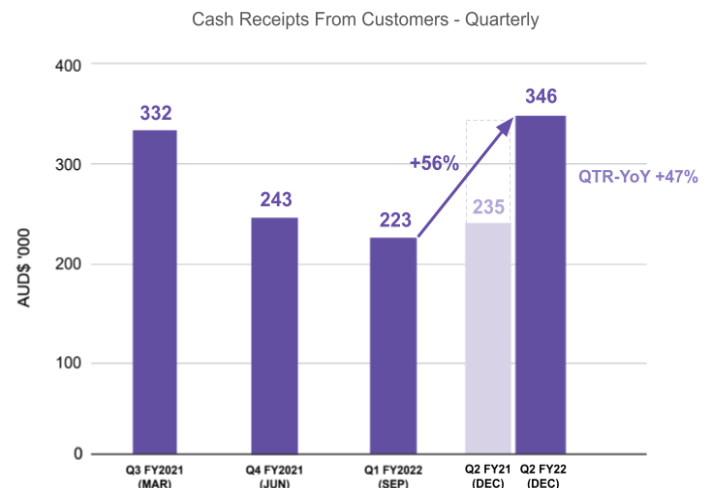
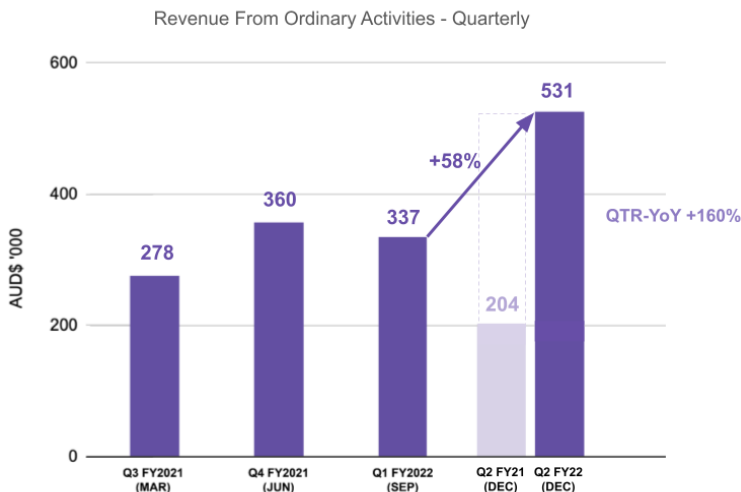
Transactional volumes are expected to grow as existing and new Hubs are deployed across APAC and entry into Europe during the quarter, in line with the Company's 126 Hubs embedded growth roll-out pathway.



FINANCIAL RESULTS⁴

Record Revenue and Cash Receipts were achieved in the quarter. Revenue from Ordinary Activities (Trade) were AU\$531k in Q2 FY2022, up 58% on the prior quarter (Q1 FY2022) and up 160% on the same quarter in the previous year (Q2 FY2021). Yojee’s revenue model consists of a combination of monthly subscriptions, transactional revenues and platform implementation fees.

Cash Receipts were AU\$346k in Q2 FY2022 for the December, up 58% on the prior quarter, and up 47% on the same quarter in the previous year.



EMPLOYEE ADDITIONS

New hires were made into key areas of the business during the quarter to support deployments with existing Enterprise Clients, in customer success and in product. This is in line with the embedded growth objectives and the Company’s long term global ambitions.

CORPORATE

Annual General Meeting (AGM): The Company held its AGM on Tuesday 30 November 2021 passing all resolutions. The Results of Meeting can be viewed [here](#). The Chairman’s Address and AGM Presentation can be viewed [here](#).

Cash position: Yojee maintains a strong funding position and cash runway of AU\$15.4m cash at bank (31 December 2021).

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 and performance-based remuneration to members of the Board of Directors amounting to AU\$121k.

Operating expenditure: Expenditure in the December ended quarter relating to the ongoing roll-out of the Yojee Platform amounted to cash outflows of AU\$1.7m (Section 1.2, Appendix 4C), resulting in a Net Cash from Operating Activities outflow of AU\$1.3m (Section 1.9, Appendix 4C). Cash outflows related to ongoing operating expenditures to run business operations which include the key items of Product manufacturing and operating costs, Advertising and marketing, Staff costs and Administration and Corporate costs.

This announcement is authorised by the Board of Yojee Limited.

Client agreements (previously announced)

Yojee has to date signed Enterprise level agreements with 4 global Enterprise Clients under Master Services Agreements (MSAs or equivalent). These set the framework of standard terms and conditions for undertaking future rollout (expansion deployments) of Yojee's Platform into Logistics Hubs within clients' operations in a single country, across countries, or multiple Hubs within a country. Read more here:

- Enterprise Client 1 - see [ASX announcement](#) dated 15 May 2019
- Enterprise Client 2 - see [ASX announcement](#) dated 18 May 2020
- Enterprise Client 3 - see [ASX announcement](#) dated 3 September 2020
- Enterprise Client 4 - see [ASX announcement](#) dated 23 August 2021

Other

- HERE Technologies – see [ASX announcement](#) dated 29 December 2021 (partnership to enhance Yojee's Smart Connected Warehousing solution)

¹ Based on a 3 year embedded growth rollout with 4 existing contracted global Enterprise Clients across 14 APAC countries (3 hubs per client per country)

² Percentage of hubs embedded growth rollout achieved

³ Planned Deliveries refer to pre-financially audited transaction fee data, which describes Platform usage for deliveries (containers, pallets or parcels)

⁴ Unaudited

-ENDS-


For enquiries, please contact:

Glen Zurcher
Investor Relations
T: +61 420 249 299
investor@yojee.com

More on Yojee

[Website](#)
[Investor centre](#)
[CEO podcasts](#)
[Blog & featured articles](#)
[Press, interviews & media coverage](#)
[Newsletter sign up](#)

About Yojee Limited (ASX: YOJ). Yojee is a cloud-based software as a service (SaaS) logistics platform that facilitates the flow of freight movements into a single ecosystem, making the complex process of managing land transport simple and accessible to all players whilst reducing carbon emissions for a greener planet. Rarely is a single carrier servicing an entire goods journey from sender to end customer, or exclusively using one type of transportation method. Yojee provides 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 down-stream 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. Future steps now under development will see Yojee further advance logistics its connectivity and route optimisation through distributed ledger blockchain technology. 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 are 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 four global top 10 freight forwarders operating in the region. Yojee has strong corporate citizenship working with industry to reduce carbon emissions, by removing paper and logistics congestion through digitisation and vastly improving efficiency, speaking to our social license to operate.

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.*

Appendix 4C

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

Name of entity

YOJEE LIMITED

ABN

52 143 416 531

Quarter ended ("current quarter")

31 December 2021

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	346	569
1.2 Payments for		
(a) research and development	(31)	(62)
(b) product manufacturing and operating costs	(504)	(772)
(c) advertising and marketing	(354)	(675)
(d) leased assets	(4)	(8)
(e) staff costs	(205)	(425)
(f) administration and corporate costs	(589)	(1,328)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	25	53
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	(1)	(1)
1.7 Government grants and tax incentives	33	63
1.8 Other (provide details if material)	4	(22)
1.9 Net cash from / (used in) operating activities	(1,280)	(2,608)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(18)	(57)
(d) investments	-	-
(e) intellectual property	(461)	(972)
(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)	-	-
2.6	Net cash from / (used in) investing activities	(479)	(1,029)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	750
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	-	-
3.6	Repayment of borrowings	(58)	(108)
3.7	Transaction costs related to loans and borrowings	(2)	(4)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	(60)	638

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	17,232	18,403
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,280)	(2,608)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(479)	(1,029)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(60)	638
4.5	Effect of movement in exchange rates on cash held	(28)	(19)
4.6	Cash and cash equivalents at end of period	15,385	15,385

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	15,385	17,232
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)	15,385	17,232

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	121
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.</i>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	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)	(1,280)
8.2	Cash and cash equivalents at quarter end (item 4.6)	15,385
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	15,385
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	12
	<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: 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	
	<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:19 January 2022.....

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.