

ASX RELEASE**22 APRIL 2021**

Quarterly Update for the Period Ending 31 March 2021

Highlights

- **The third consecutive cash flow positive quarter from operations for the Company. Receipts from customers increased 90% from \$1.467 in the December 2020 quarter to \$2.792 m in the March 2021 quarter, with year-to-date cash receipts being \$5.140m.**
- **Proforma consolidated revenue year to date is \$8.65 million (including Betta Group for the entire nine months)**
- **Consolidated EBITDA for the quarter is \$241K (unaudited), with the three divisions profitable for quarter and year to date with a positive outlook for the fourth quarter of FY2021.**
- **The Company's transport division, Healthcare Division and Resource Division are all profitable, and there is a positive outlook to grow revenue substantially.**

Orcoda Limited (**ASX: ODA**) ("**Orcoda**" or "**the Company**") is pleased to announce that our net cash from operating activities was positive for the third quarter in a row. Revenue consolidated year to date is \$8.65 million (including the Betta Group for the entire nine months).

Also, the Company enjoyed another very positive quarter. Receipts from customers have grown by \$1.325 million in the past quarter, from \$1.467million to \$2.792 million. The year to date receipts is \$5.140 million. Consolidated EBITDA was \$241k for the quarter, with all three division now profitable and the outlook for the next quarter already looking very positive.

Our vision of growing by way of strategic acquisition is already paying off, with the purchase of Betta Group being very beneficial to the Company. This acquisition has added significantly to receipts from customers for the quarter and helped the Company and shareholders to have a realistic path to a consolidated annual profit.

The Transport division is recovering from COVID-19. However, it has increased receipts generated from existing customers. This positive outlook to substantially grow revenue from the Company's relationships with Savills, SGS logistics and other major customers.

The Healthcare division sells the SaaS platform to not-for-profits and commercial providers of transport to the Aged Care and Disabled communities by providing vehicles and drivers daily. The Company reported entering a 3-year contract with Transicare to provide vehicles and drivers to complement their fleet. The intention is to grow services jointly with them.

The Resource division is preparing for the Mt Buller transport project to re-start in May/June. Initial revenue from the 2021 season will begin to be received as early as March. The division already announced the \$1.3 million project with a major mining company. We are bidding on several significant infrastructure projects and successful tenders to be advised to market as these occur. The addition of the Betta Group to Orcoda has substantially strengthened our ability and capacity to bid on large projects.

Betta Group, which part of the Resource division, and enjoyed a profitable quarter. The Betta Group currently has substantial work in progress, with steady receipts from customers and billings. Our outlook remains positive, with the electrical poles contract for \$1.3 million announced in the quarter complementing our broader smart pole installation strategy.

Smart Poles relate to 'smart cities' and 'intelligent highways' of the future. We intend that our smart pole platform connects to Orcoda's people transport platform, asset management transport platform, and Dynamic Optimiser.

Orcoda believes that smart poles are going to have an essential role in facilitating Artificial Intelligence (AI), Machine Learning (ML), Augmented Reality (AR) by using an Internet of Things (IoT) approach to deliver a more integrated future transport system. Our strategy aims to serve government and commercial enterprises and support them with integrating their future transport systems.

The Company has researched and developed products in the Transport Logistics, Healthcare Logistics and Resource Logistics divisions which we believe will help Orcoda remain ahead of the curve. Such projects and programs reflect Orcoda's support for Australian-based R&D and help us upgrade our software 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 the expenditure of \$78k to related parties. The amount included payments to the Managing Director, Geoffrey Jamieson, of \$55k; the Chairman, Nicholas Johansen, of \$9k; Executive Director, Geoffrey Williams, of \$9k; Non-Executive Director, Stephen Pronk, of \$0k; and Non-Executive Director, Brendan Mason, of \$5k.

The Company continues to develop opportunities within each division and, broadly, an exciting path that is organic but also involves strategies that include further growth-through-acquisition opportunities. The Company does look forward to paying dividends to our 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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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 providing 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

Appendix 4C

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

Name of entity		
Orcoda Limited		
ABN	Quarter ended ("current quarter")	
86 009 065 650	31 March 2021	
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	2,792	5,140
1.2 Payments for		
(a) research and development	(105)	(280)
(b) product manufacturing and operating costs	(967)	(1,818)
(c) advertising and marketing	(11)	(35)
(d) leased assets		
(e) staff costs	(711)	(1,121)
(f) administration and corporate costs	(981)	(2,230)
1.3 Dividends received (see note 3)		
1.4 Interest received	7	7
1.5 Interest and other costs of finance paid	(8)	(32)
1.6 Income taxes paid		
1.7 Government R&D grants and tax incentives	0	442
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	16	73
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		(1,000)
(b) businesses		
(c) property, plant and equipment	(1)	(17)
(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		
(b) businesses		
(c) property, plant and equipment	99	99
(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	98	(918)

3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	1,342	1,342
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	(121)	(121)
3.5 Proceeds from borrowings	400	600
3.6 Repayment of borrowings	(52)	(52)
3.7 Transaction costs related to loans and borrowings		
3.8 Dividends paid		
3.9 Other (provide details if material)	(54)	(158)
3.10 Net cash from / (used in) financing activities	1,515	1,611

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	708	1,531
4.2 Net cash from / (used in) operating activities (item 1.9 above)	16	73
4.3 Net cash from / (used in) investing activities (item 2.6 above)	98	(918)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,515	1,611
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	0	40
4.6	Cash and cash equivalents at end of period	2,337	2,337

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	2,237	608
5.2	Call deposits	100	100
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)	2,337	708

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	78
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>		

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<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 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.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	16
8.2 Cash and cash equivalents at quarter end (item 4.6)	2,337
8.3 Unused finance facilities available at quarter end (item 7.5)	
8.4 Total available funding (item 8.2 + item 8.3)	2,337
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	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: 22 April 2021
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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.