

Quick Comment

Yojee Ltd (YOJ \$0.155) Speculative Buy



Analyst	Date	Price Target
Seth Lizee	4 th March 2021	\$0.50/sh

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Business Update: Further Rollouts, Value add Demonstrated

Key Points

YOJ has provided a business update:

- Further 2 enterprise countries have entered revenue generating 'go-live' across two enterprise clients
 - Total of 6 enterprise countries are now live and revenue generating
 - 5 of these have gone live since December 2020
 - A further 2 are currently undergoing platform implementation

Enterprise Client rollout – summary by country

	Enterprise Countries Signed	Enterprise Logistics Hub or Enterprise Projects Signed	Undergoing Platform Implementation	Revenue Generating
Total	8	8	2	6
This quarter – of which progressed in status or added	-	-	-	2

- YOJ have further stated they expect revenue growth over the coming quarters as a result of these recent rollouts, this in line with our expectations
- YOJ continues to highlight a robust pipeline of opportunities which include:
 - New enterprise countries and hubs with existing clients, YOJ stating they are in advanced discussions; and
 - Advanced discussions with potentially new enterprise clients
 - The company have further stated they expect to sign new agreements and undertake additional deployments of the platform through CY'2021
- YOJ has further highlighted the strong value add being provided by the platform, specifically:
 - The company has demonstrated 62-89% increase in delivery attempt efficiency in the logistics channel
 - This represents a material savings and revenue opportunity benefits for clients
 - Essentially meaning fewer costly failed delivery attempts occur
- We maintain our Speculative Buy recommendation and \$0.50/sh. Price Target

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Investment Thesis

YOJ continues to deliver on its platform rollouts, announcing 2 enterprise countries have entered revenue generating 'go-live' phase, this brings the total to 6, 5 more than December 2020. Going forward we look towards continued rollout successes and significant transaction volume growth in coming quarters from these recent and coming rollouts. In parallel, YOJ continues to provide commentary on a strong pipeline of additional opportunities to expand existing agreements and sign potentially new ones all together, the company stating they are in advanced discussions with multiple potential new enterprise clients. The business is funded for growth, boasting a solid balance sheet. The Global logistics industry accounts for +US\$9 trillion annually, parcel movements alone are forecasted to surpass 100 billion this year and double to 200 billion by 2025. Industry wide changes are creating new demands and issues driving rapid increases in digitisation. YOJs comprehensive cloud based logistics SaaS platform is well placed to solve these issues. YOJs recent agreements show growing demand for the platform, securing agreements with three major global logistics companies who have \$100 billion in combined revenues. The YOJ investment case is predicated on the rollout of its logistics platform with Geodis, Kuehne+Nagel, and Maersk's in parallel to signing new SaaS agreements, thereby growing revenue scale through rapidly increasing market share.

Yojee Ltd (YOJ)

Share Price	0.155	A\$/sh	Enterprise Value	156.5	A\$/m
Price Target	0.50	A\$/sh	Debt	Nil	A\$/m
Valuation	0.50	A\$/sh	Cash	21.1	A\$/m
Shares on issue	1146	m(dil)			
Market Capitalisation	177.6	A\$m			

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