

YOJEE LTD (ASX: YOJ)

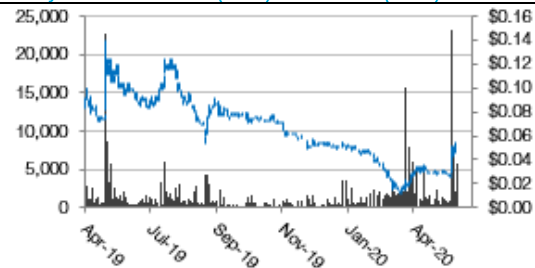
 Analyst | Stuart Turner
 Date | 2 June 2020

SPECULATIVE, WITH HIGH POTENTIAL. EXECUTION IS THE KEY

Company Information

Last Close	0.056
Sub-Industry	Application Software
Market Cap (\$m)	55
EV (\$m)	54
12m Price Range	\$0.01 - \$0.13
Val Traded Last 6M	\$8.2m

Daily Volume - '000 (LHS) and Price (RHS)



Profit & Loss

	2H18	1H19	2H19	1H20
Revenue (\$m)	0.2	0.4	0.1	0.3
EBITDA	-2.5	-2.0	-1.8	-2.1
Underlying PAT	-2.5	-2.0	-1.8	-2.2
EPS (cps)	-0.5	-0.3	-0.1	-0.3
EV/Sales	121	72	189	85
EV/EBITDA	NA	NA	NA	NA

B/S & Cashflow

	2H18	1H19	2H19	1H20
Cash (\$m)	2.0	6.0	3.4	4.0
Total Debt	Nil	Nil	Nil	Nil
Net Equity	4.9	9.9	8.0	9.2
Operating C/F	-2.5	-2.7	-1.7	-2.0
Investing C/F	-0.8	-1.0	-0.9	-0.6
Financing C/F	0.4	8.0	-0.4	3.2

Board & Governance

Chairman	David Morton
Managing Director	Ed Clarke
Non-Executive Director	Ray Lee
Non-Executive Director	Gary Flowers

Top Shareholders

Reef Investments Pty Ltd.	5.9%
TIGA Trading Pty Ltd.	3.8%
Ravenhill Investments Pty Ltd.	3.6%
Great Southern Flour Mills Pty Ltd	3.4%
Stephen Anastos	3.1%
Thorney Technologies Ltd	2.8%

MAJOR CONTRACT UPDATE

Yojee is a future ready platform technology company developing powerful logistics and supply chain management capabilities via its innovative software that powers single and multi-company logistics networks across South East Asia and Australia. www.yojee.com.

Yojee's SaaS platform optimises freight operations in an eco-system which includes 4PL's, 3PL's and Carriers, including line-haul, pickup and delivery and cross border multi-leg trucking.

Yojee solves the problem for multi-leg movements, consolidation and deconsolidation, backloading, empty truck loads and carrier to door delivery with increased customer visibility. Security and tracking are critically important as high tech/high value goods are often subject to long distance haulage. Yojee solves for this.

Yojee interfaces with Warehouse, Customs or Order Management software (through its public APIs) and offers full visibility of customers' goods through final delivery. Improved visibility leads to improved planning and better efficiency. The system copes with changing tariff conditions and associated shifts in production

Yojee has achieved two major contract wins with global freight forwarding companies. **In May 2019** Yojee signed a 3 year Master Services Agreement with Goedis who is aiming to digitize its logistics operations in Asia Pac, driving efficiency and customer service. Following technology deployment in 2HC19, Chinese New Year and CV19 have temporarily slowed the deployment. However, we now believe the deployment may accelerate into 2HC20 and surpass original expectations.

On **18 May 2020**, Yojee signed a 3 year Services Agreement with Kuehne + Nagel (Philippines), where Yojee will roll out its SaaS logistics platform. It is expected that the platform goes live in July 2020 and that it will service a well-known eCommerce fulfillment customer across delivery, order management, planning and execution. The initial deployment is expected to be across the whole of the customer's Philippines operations, which we believe represent a substantial share of Philippines' eCommerce traffic.

Based on expected traffic volumes in the Philippines, the revenue implications for Yojee are significant. Depending on the execution of the initial deployment into the customer's Philippines operations, expansion into other countries would be logical. The deployment is expected to generate meaningful savings from within the customer's existing planning, reporting, operations and accounting functions.

Following long lead times for planning, negotiation and deployment, Yojee is poised to deliver on contracts with these major global freight forwarding companies. Revenue is expected to begin and to ramp up over the coming six months. CV19 has ironically created a powerful tailwind for digital transformation and Yojee appears to be the right product at the right time.

Company Description

Yojee Limited (Yojee), formerly Southern Crown Resources Limited, is engaged in developing a sharing economy-based logistics technology through the creation of the Yojee delivery network and blockchain technology platform. The Company is engaged in the development of a logistics technology platform to enable mass participation in a sharing economy network to help both carrier and sender. The Company's collaborative economy technology platform focuses to provide on-demand movement of goods and services. The Company's platform aggregates and optimizes logistics businesses. Yojee implements real-time tracking and a blockchain technology payment system. Yojee will connect and enable logistics providers with limited geographical capability. Yojee will also help e-commerce companies. The Company focuses on developing a logistics software to serve small and medium businesses. The Company focuses on the Asia-Pacific region.

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