

# Quick Comment

## Yojee Ltd (YOJ \$0.12) Speculative Buy

Analyst	Date	Price Target
Seth Lizee	29 <sup>th</sup> July 2020	\$0.13/sh. (under review)

### June Quarter Update

#### Key Points

Key June Q Highlights:

- YOJ signed a 3yr services agreement with Kuehne+Nagel (K+N) during the Q, one of the leading global logistics providers, to roll out its SaaS logistics platform in the Philippines
  - The project went live in late June ahead of schedule
  - YOJ processed 10,000 transactions on the first day
- More recently YOJ has demonstrated multiple 20-25k parcels/day through its platform with total transactions approaching 200k since 'go-live'
- Recent transactional volume achieved by YOJ begins to speak volumes about the platforms scalability and stability
  - This highlighted in the quarterly: "... We have demonstrated a platform that can deploy cheaply and rapidly, deliver reliably and scale to hundreds of thousands of transactions at a nominal cent transaction cost..."
  - This further shows YOJs readiness for the eCommerce campaign period occurring from July through to Christmas (December)
- YOJ has during the Q further re-focused its strategy towards securing enterprise customer contracts
- YOJ further highlighted that there are several advanced and ongoing conversations with large international logistics operators
- \$115k in revenues during the Q, FY'20 revenues totalled \$650k
  - Revenues were down QoQ due to revenue recognition in addition to re-evaluating customer contracts
- \$144k in cash receipts during the Q
- YOJ additionally achieved a -42% reduction in net operating expenses to -777k during the Q
- \$4.32m in cash at end of Q

#### Investment Thesis

We remain very pleased with the commercial successes achieved by YOJ during the Q, highlighting the K+N agreement signing and rapid rollout accomplished. We remain focused on the heightened and increasing transaction volume being achieved by YOJ; these being indicators of the platforms scalability and stability. If YOJ can continue to show volume growth, we can see the potential for significant revenues being generated. The YOJ investment case is predicated on driving material revenues through the rollout of its logistics platform with the likes of Geodis, Kuehne+Nagel and others in parallel to signing new SaaS agreements. We maintain our Speculative Buy recommendation.

#### Yojee Ltd (YOJ)

Share Price	0.12	A\$/sh	Enterprise Value	114.4	A\$/m
Price Target	0.13 (under review)	A\$/sh	Debt	0.3	A\$/m
Valuation	0.13 (under review)	A\$/sh	Cash	4.32	A\$/m
Shares on issue	986.6	m			
Market Capitalisation	118.4	A\$m			

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