

# Quick Comment

## Yojee Ltd (YOJ \$0.175) Speculative Buy



<b>Analyst</b>	<b>Date</b>	<b>Price Target</b>
Seth Lizee	22 <sup>nd</sup> January 2021	\$0.50/sh

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### Business Update

#### Key Points

- Platform rollouts continue in line with schedule
- Further 3 'Enterprise Countries' transitioned into transactional billing phase in January, taking total to 4 'Enterprise Countries'
- Additional 4 'Enterprise Countries' are undergoing platform implementation, YOJ stating these are close to 'Go-live'

#### Enterprise Client rollout:

	Enterprise Countries* Signed	Enterprise Hub or 'Projects' Signed	Undergoing Platform Implementation	Live and Transacting
<b>Total</b>	<b>8</b>	<b>8</b>	<b>4</b>	<b>4</b>

- YOJ commentary continues to highlight a strong pipeline of opportunities to add new enterprise countries and hubs with existing enterprise clients in addition to advanced discussions with potentially new enterprise clients
- YOJ continues to have success attracting and signing SMEs in the APAC region
- YOJ further notes a number of subcontractors have been updated to support enterprise 'Go-lives' in recent weeks
- We maintain our Speculative Buy recommendation and \$0.50/sh PT

### Investment Thesis

YOJ continues to deliver on its platform rollouts, announcing 3 Enterprise Countries have moved into transactional billing phase in January, highlighting a further 4 countries are moving near go-live. 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 (as has recently occurred last month) 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. YOJ's comprehensive cloud based logistics SaaS platform is well placed to solve these issues. YOJ's 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	0.175	A\$/sh	Enterprise Value	177.2	A\$/m
Price Target	0.50	A\$/sh	Debt	Nil	A\$/m
Valuation	0.50	A\$/sh	Cash	23.4	A\$/m
Shares on issue	1146	m(dil)			
Market Capitalisation	200.5	A\$m			

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