

Appendix 4E



Preliminary Final Report

Further information please contact: Geoff Jamieson Managing Director 1300 672 632	About Orcoda (previously SmartTrans) <i>Orcoda Limited (ASX:ODA) is a leading Australian Logistics solution provider with expertise in business efficiency and optimisation. We are operational efficiency specialists who supply best-in-class solutions that combine software, management expertise and contracting services, helping to make 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 resources and infrastructure, transport and logistics and healthcare sectors. Orcoda's combined offering is focused on three key business sectors: healthcare, transportation and resources. We pride ourselves on enabling our clients to generate fast, accurate and reliable information, ensuring they are able to make the best business decisions the first time, every time and on time..</i>
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<http://www.orcoda.com>

RESULTS ANNOUNCEMENT TO THE MARKET

2019 Full Year Financial Results

(Based on accounts currently being audited)

1 Details of the reporting period and the previous corresponding period

Reporting Period	Financial Year Ending	30 June 2019
Previous Corresponding Period	Financial Year Ending	30 June 2018

2. Results for announcement to the market

2.1 The amount and percentage change up or down from the previous corresponding period of revenue from ordinary activities

Total revenue in the reporting period	2,919,976
Previous corresponding period – Total Revenue	1,389,009
Percentage change up or down from the previous corresponding period of Revenue from ordinary activities	110%

2.2 The amount and percentage change up or down from the previous corresponding period of profit (loss) from ordinary activities after tax attributable to members

Total Profit (Loss) in Reporting Period	(142,936)
Previous corresponding period	(5,883,183)
Percentage change up or down from the previous corresponding period of profit (loss) from ordinary activities after tax attributable to members	-98%

2.3 The amount and percentage change up or down from the previous corresponding period of net profit (loss) for the period attributable to members

Total Net Profit (Loss) in Reporting Period	(142,936)
Previous corresponding period	(5,833,183)
Percentage change up or down from the previous corresponding period of net profit (loss) for the period attributable to members	-98 %

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2.4 *The amount per security and franked amount per security of final and interim dividend or a statement that it is not proposed to pay dividends*

No dividends proposed relating to the reporting period.

2.5 *The record date for determining entitlements to the dividends (if any)*

Not applicable.

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3. *A statement of Comprehensive Income together with notes to the statements, prepared in compliance with AASB 101*

**Statement of Profit & Loss and other Comprehensive Income
For the year ended 30 June 2019**

	Notes	Consolidated 2019 \$	2018 \$
Continuing Operations			
Revenue - Operations	1	2,404,762	1,247,058
Other Income		25,290	-
Expenses			
Employee salaries and benefits expense		(646,555)	(1,311,368)
Material and installation costs		(531,611)	(542,285)
Depreciation expense	2	(3,627)	(21,255)
Consultancy cost		(1,023,869)	(1,030,220)
ASIC, Audit & Tax		(179,007)	(326,750)
Investor Relations		(6,313)	(56,000)
Share based payment		-	(657,392)
Rental & occupancy costs		(215,298)	(192,609)
Travelling and accommodation costs		(80,436)	(156,542)
Amortisation of Intangible Assets	2	(16,023)	(102,521)
Legal & associated costs		(68,266)	(207,943)
Other expenses		(53,029)	(348,409)
Foreign currency gain/(loss)		(4,986)	(4,768)
Impairment Loss		-	(1,288,124)
Loss before income tax from continuing operations		(398,969)	(4,999,128)
Income tax benefit		-	-
Loss after income tax from continuing operations		(398,969)	(4,999,128)
Discontinued Operations			
Profit (loss) after income tax from discontinued operations	10	256,033	(834,054)
Loss for the year		(142,936)	(5,833,183)
Other comprehensive income for the year			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation reserve		(325,996)	4,427
Total comprehensive loss for the year		(468,932)	(5,828,756)
Total comprehensive income for the year attributable to:			
Continuing operations		(398,969)	(4,999,128)
Discontinued operations		(69,963)	(829,628)
Total comprehensive loss for the year		(468,932)	(5,828,756)

above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes

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A Statement of Financial Position together with notes to the statement. The Statement of Financial Position may be condensed but must report as line items each significant class of asset, liability, and equity element with appropriate sub-totals.

Statement of Financial Position As at 30 June 2019

	Notes	Consolidated	
		2019	2018
		\$	\$
Current Assets			
Cash and Cash Equivalents	3	1,325,148	2,105,116
Trade and Other Receivables	4	35,046	332,373
Inventory		-	170,410
Other Assets		432,283	26,327
		<u>1,792,477</u>	<u>2,634,226</u>
Assets of disposal group classified as held for sale	10	86,348	-
Total Current Assets		<u>1,878,825</u>	<u>2,634,226</u>
Non-Current Assets			
Property Plant & Equipment	5	15,798	26,591
Intangible Assets	5	11,085,923	11,101,946
Total Non-Current Assets		<u>11,101,721</u>	<u>11,128,537</u>
TOTAL ASSETS		<u>12,980,546</u>	<u>13,762,763</u>
Current Liabilities			
Trade and Other Payables	6	443,300	1,952,628
Provisions	7	152,019	172,400
Liabilities directly associated with assets classified as held for sale		-	-
Total Current Liabilities		<u>595,319</u>	<u>2,125,028</u>
TOTAL LIABILITIES		<u>595,319</u>	<u>2,125,028</u>
NET ASSETS		<u>12,385,227</u>	<u>11,637,735</u>
Equity			
Contributed Equity	5a	93,230,631	91,690,208
Reserves	5a	1,487,606	2,137,601
Accumulated Losses	5a	(82,333,010)	(82,190,074)
TOTAL EQUITY		<u>12,385,227</u>	<u>11,637,735</u>

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes

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- 5a. *A statement of changes in equity together with notes to the statement. The statement of changes in equity may be condensed but must comply with the disclosure requirements of AASB 101*

Statement of Changes in Equity
For the year ended 30 June 2019

	Contributed Equity \$	Reserves \$	Accumulated Losses \$	Total \$
2018				
Balance at 1 July 2017	76,919,120	1,205,534	(76,406,091)	1,718,563
Shares issued during the period	15,784,113	-	-	15,784,113
Shares cancellation during the period	(317,270)	-	-	(317,270)
Cost of shares issued	(695,755)	-	-	(695,755)
Performance rights issued during period	-	324,000	-	324,000
Options Issued During Period	-	652,840	-	652,840
Options Expired During Period	-	(49,200)	49,200	-
Profit/(Loss) for the financial year	-	-	(5,833,183)	(5,833,183)
Foreign Currency Translation	-	4,427	-	4,427
Balance at 30 June 2018	91,690,208	2,137,601	(82,190,074)	11,637,735
2019				
Balance at 1 July 2018	91,690,208	2,137,601	(82,190,074)	11,637,734
Shares issued during the period	1,000,000	-	-	1,000,000
Cost of shares issued	(50,000)	-	-	(50,000)
Performance rights Issued During Period	590,423	(324,000)	-	266,423
Profit/(Loss) for the financial year	-	-	(142,936)	(142,936)
Foreign Currency Translation	-	(325,995)	-	(325,995)
Balance at 30 June 2019	93,230,631	1,487,606	(82,333,010)	12,385,227

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- 5b. *A Statement of Cash Flow together with notes to the statement. The Statement of Cash Flow may be condensed but must report as line items each significant form of cash flow and comply with the disclosure requirements of AASB 107 Cash Flow Statements, or for foreign entities, the equivalent foreign accounting standard.*

Statement of Cash Flows

For the year ended 30 June 2019

	Notes	Consolidated 2019 \$	2018 \$
Cash from operating activities:			
Receipts from customers (inclusive of GST)		1,795,503	1,602,631
Payments to suppliers and employees (inclusive of GST)		(3,956,552)	(5,357,256)
Interest received		4,871	14,003
Receipt from R&D Grant		425,582	235,768
Net cash inflow/(outflow) from operating activities	8	(1,730,598)	(3,504,854)
Cash flows from investing activities:			
Payments for property plant and equipment		-	(7,676)
Cash at Bank businesses acquired		-	262,961
Net cash (outflow) from investing activities		-	255,285
Cash flows from financing activities:			
Proceeds from capital raisings		1,000,000	5,067,001
Payments for capital raising cost		(50,000)	(334,000)
Proceeds from issue of shares		-	-
Net cash provided by (used in) financing activities		950,000	4,733,001
Cash at beginning of financial year		2,105,116	1,483,432
Net increase/decrease in cash held		(780,597)	621,684
Effect of foreign exchange		629	-
Cash at end of financial year	3	1,325,148	2,105,116

The above Consolidated Statement of Cash Flow should be read in conjunction with the accompanying notes

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Notes to Sections 3, 4 & 5

1. Revenue

From continuing operations

Revenue

Services Revenue
Research & Development tax incentive

Total

Consolidated	
2019	2018
\$	\$
1,577,201	1,011,375
827,561	235,683
<u>2,404,762</u>	<u>1,247,058</u>

2. Operating profit (loss)

From continuing operations

Net profit (loss) and expenses

Profit (loss) before income tax includes the following specific expenses:

Depreciation
Plant and equipment

Amortisation

Software
Total amortisation

Consolidated	
2019	2018
\$	\$
(3,627)	(21,255)
<u>(3,627)</u>	<u>(21,255)</u>
(16,023)	(102,520)
<u>(16,023)</u>	<u>(102,520)</u>

3. Current assets - Cash and cash equivalents

Cash at bank and on hand

Consolidated	
2019	2018
\$	\$
1,325,148	2,105,116

4. Current assets - Trade and other receivables

Trade debtors
Less Provision for impairment of trade debtors

35,046	2,795,216
-	(2,462,843)
<u>35,046</u>	<u>332,373</u>

5. Non-current assets - Property, plant and equipment

Intangible Assets

At cost
Less: Accumulated amortisation
Total Intangible Assets

Consolidated	
2019	2018
\$	\$
11,187,095	11,187,094
(101,172)	(85,148)
<u>11,085,923</u>	<u>11,101,946</u>

Plant and equipment

At cost
Less: Accumulated depreciation
Total plant & equipment

105,657	110,378
(89,859)	(83,787)
<u>15,798</u>	<u>26,591</u>

6. Current liabilities - Trade and other payables

Trade payables
Other payables

Consolidated	
2019	2018
\$	\$
407,622	830,400
35,678	1,122,228
<u>443,300</u>	<u>1,952,628</u>

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7. Current liabilities - Provisions

	Consolidated	
	2019	2018
	\$	\$
Employee benefits – annual leave	67,637	88,018
Employee benefits – long service leave	84,382	84,382
	152,019	172,400

8. Reconciliation of operating profit (loss) after income tax to net cash inflow from operating activities

	Consolidated	
	2019	2018
	\$	\$
Operating profit (loss) after income tax	(142,936)	(5,833,183)
Depreciation and amortisation	22,096	135,812
Write off of accrual	(488,502)	1,288,124
Equity based payment	266,422	657,392
Foreign exchange differences	22,636	30,742
Doubtful debt written off	143,964	-
Change in operating assets and liabilities		
(Increase)/decrease in trade and other receivables	297,326	331,568
(Increase)/decrease in inventories	84,063	(130,022)
(Decrease)/increase in trade creditors and accruals	(1,509,330)	1,204
(Increase)/decrease in prepayment	(405,957)	24,545
(Decrease)/increase in Provisions	(20,380)	(11,036)
Net cash inflow (outflow) from operating activities	(1,730,598)	(3,504,854)

9. The results of segments that are significant to an understanding of the business as a whole.

(a) Description of segments

The consolidated entity has identified its operating segments based on internal reports that are provided to the Board of Directors on a regular basis.

Pursuant to acquisition of the Resource Connect Group of entities during the financial year 2018, the consolidated entity identified three operating segments - Transport Logistics, Resource Logistics and Healthcare Logistics for the half-year ended 31 December 2018 and this report follows the same segment information.

During the prior periods, the consolidated entity classified operating segments based on geographical locations as it had only one business operation in Australia and China. The consolidated entity has ceased the operations in China.

(b) Segment information

The below segment summary shows operating results (including R&D incentive income) and assets and liabilities by segments:

For the year ended 30 June 2019

	Consolidated				
	Transport logistics	Resource logistics	Healthcare logistics	E-commerce	Total
	\$	\$	\$	\$	\$
Segment revenues	1,218,941	147,849	1,033,110	-	2,399,900
Segment profit / (loss)	106,617	(42,757)	380,988	256,032	700,880

For the year ended 30 June 2018

	Consolidated				
	Transport logistics	Resource logistics	Healthcare logistics	E-commerce	Total
	\$	\$	\$	\$	\$
Segment revenues	974,164	258,978	-	141,862	1,375,004
Segment profit / (loss)	(554,056)	(133,569)	-	(836,165)	(1,523,790)

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Reconciliation of reportable segment revenue to consolidated revenue

	2019	2018
	\$	\$
Total segment revenue	2,399,900	1,375,004
Interest and other income	520,076	14,005
Total revenue	2,919,976	1,389,009

Disclosed as:

Revenue from continuing operations	2,430,052	1,247,058
Revenue from discontinued operations (see Note 10)	489,924	141,951
Total revenue	2,919,976	1,389,009

Reconciliation of reportable segment loss to consolidated loss

	2019	2018
	\$	\$
Total gain (loss) for reportable segments	700,880	(1,523,790)
Share based payments	-	(657,392)
Corporate costs	(843,816)	(3,652,001)
Loss before/after income tax	(142,936)	(5,833,183)

Disclosed as:

Loss from continuing operations	(398,969)	(4,999,129)
Gain (loss) from discontinued operations (see Note 10)	256,033	(834,054)
Loss before/after income tax for the year	(142,936)	(5,833,183)

Consolidated

	Transport logistics \$	Resource logistics \$	Healthcare logistics \$	E-commerce \$	Total \$
Segment assets					
30 June 2019	595,290	119,847	415,408	100,690	1,231,235
30 June 2018	293,813	135,945	-	327,504	757,262
Segment liabilities					
30 June 2019	202,747	63,963	38,079	-	304,789
30 June 2018	336,386	67,778	-	695,692	1,099,856

Reconciliation of reportable segment assets to consolidated assets

	2019	2018
	\$	\$
Reportable segment assets	1,231,235	757,262
Unallocated Assets	11,749,311	13,005,501
Total Assets	12,980,546	13,762,763

Reconciliation of reportable segment liabilities to consolidated liabilities

	2019	2018
	\$	\$
Reportable segment liabilities	304,789	1,099,856
Unallocated Liabilities	290,530	1,025,172
Total Liabilities	595,319	2,125,028

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10. DISCONTINUED OPERATIONS

(a) Description

The consolidated entity has classified its e-Commerce business operations in China as held for sale as the business is not in alignment with the consolidated entity's core business proposition. Consequently, the financial statements for the year ended 30 June 2019 present the performance of this business as discontinued operations in the Statement of profit or loss and other comprehensive income.

(b) Financial performance information

	Consolidated	
	30 Jun 2019	30 Jun 2018
	\$	\$
Revenue-operations	7	141,951
Other Income	489,916	-
	489,924	141,951
Expenses		
Ecommerce related cost	(282)	(123,732)
Employee benefits expense	(18,505)	(320,444)
Depreciation expense	(2,445)	(12,036)
Consultancy costs	(93,893)	(170,523)
ASIC, audit & tax	(18,327)	(23,867)
Rental & occupancy	(8,185)	(99,985)
Travelling & accommodation	(429)	(49,252)
Legal expenses	(30,236)	(41,118)
Impairment loss	-	(40,784)
Foreign currency gain/(loss)	(1,897)	900
Other expense	(59,692)	(95,166)
	(233,891)	(976,007)
Gain (loss) for the period	256,033	(834,054)
Income tax benefit / (expense)	-	-
Gain (Loss) from discontinued operations	256,033	(834,054)

(c) Cash Flow information

	30 June 2019	30 June 2018
	\$	\$
Net cash from / (used in) operating activities	(21,297)	(297,118)
Net cash from investing activities	-	-
Net cash from financing activities	-	-
Effect of foreign exchange	629	1,096
	(20,668)	(296,022)

(d) Assets of disposal groups classified as held for sale

Assets of the disposal group classified as held for sale comprises Inventories relating to the e-Commerce business - \$86,348.

(e) Liabilities directly associated with assets held for sale

The liabilities in relation to e-Commerce business is nil as at 30 June 2019.

11. *Details of individual and total dividends or distributions and dividend or distribution payments. The details must include the date on which each dividend or distribution is payable and (if known) the amount per security of foreign sourced dividend or distribution.*

No payments made.

12. *Details of any dividend or distribution reinvestment plans in operation and the last date for the receipt of an election notice for participation in any dividend or distribution reinvestment plan.*

No plans approved.

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13. A statement of retained earnings showing movement

See Consolidated Statement of Changes in Equity

14. Net tangible assets per security with the comparative figure for the previous corresponding period.

Reporting Period	Cents	1.274
Previous Corresponding Period	Cents	0.008

15. Any other significant information needed by an investor to make an informed assessment of the entity's financial performance and financial position.

Refer to explanatory notes above.

16. For foreign entities, which set of accounting standards is used in compiling the report (e.g. International Accounting Standards).

Not applicable.

17. Commentary on results for the period

Cashflow – The capital raisings comprised of \$1M from a raising associated with Pronk Holdings Pty Ltd and Bid Pty Ltd.

17.1 The earnings per security and the nature of any dilution aspects

Consolidated	Consolidated	
	2019	2018
	cents	cents
Earnings per share (basic and diluted) from continuing operations	(0.43)	(9.44)
Earnings per share (basic and diluted) from discontinued operations	(0.28)	(1.58)
Earnings per share (basic and diluted) for loss attributable to owners of Orcoda Limited	(0.15)	(11.02)

During the current year, Orcoda Limited consolidated its ordinary shares in the ratio of 75:1. This has resulted in an increase in loss per share previously reported for the year ended 30 June 2018 as follows:

	2018	2018
	Before	After
	consolidation	consolidation
	of shares	of shares
Loss for the year ended 30 June 2018	(5,833,183)	(5,833,183)
Weighted average number of shares used as the denominator in calculating the basic earnings per share*	3,971,507,794	52,953,437
Loss per share (cents per share)	(0.15)	(11.02)

17.2 Returns to shareholders including distributions and buy backs.

None made.

18. Any other factors which have affected the results in the period or which are likely to affect results in the future, including those where the effect could not be quantified.

Not applicable.

19. A statement as to whether the report is based on accounts which have been audited or subject to review, are in the process of being audited or reviewed, or have not yet been audited or reviewed

The financial information contained in the Appendix 4E is based on the consolidated financial statements which are in the process of being audited by RSM Australia Partners

Geoffrey Jamieson

Geoffrey Jamieson
Managing Director

Date:
30 August 2019
Brisbane