



1H 25 Financial Results Investor Presentation

28 November 2024

TradeWindow's ordinary shares trade on the NZX under the ticker TWL



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AJ Smith
CEO & Director

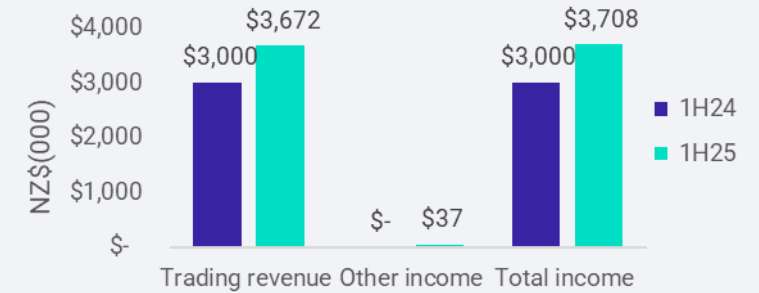


Deidre Campbell
Chief Financial Officer

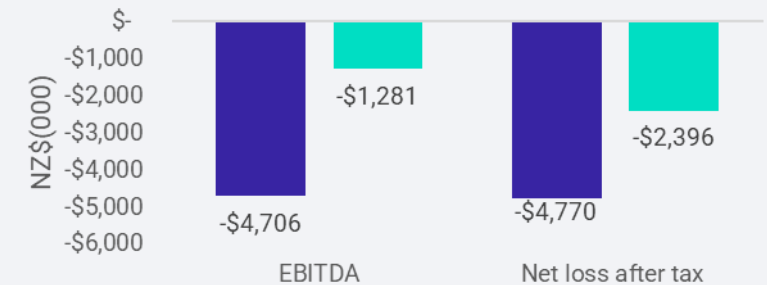
1H 25: On track to deliver monthly EBITDA breakeven

- Narrowed trading revenue guidance range upwards to \$7.5 million to \$8.3 million for the full financial year.
- Delivered unbroken quarter-on-quarter growth since listing on the NZX in November 2021.
- Trading revenue: \$3.7 million, a 22% increase on the \$3.0 million in the prior year.
- EBITDA¹ loss: \$1.3 million, down 73% from the prior year's \$4.7 million.
- Net loss after tax: \$2.4 million from a \$4.8 million loss in the prior year.
- Cash and cash equivalents: Ended the half year at \$0.5 million with \$0.3 million in delayed settlement from the capital raise due 30 November 2024.
- Monthly average cash consumption reduced from \$0.4 million in 2H 24 to \$0.2 million in 1H 25.

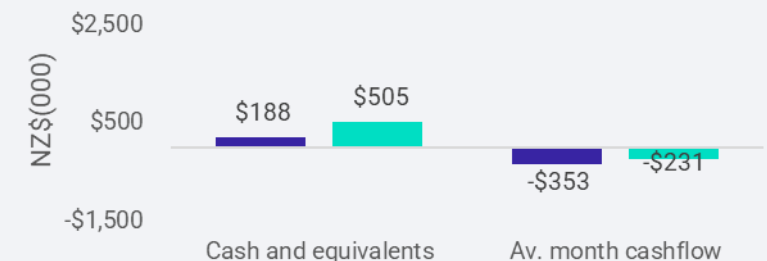
Revenue



Earnings



Funding



1. EBITDA is a non-GAAP measure of financial performance. It is defined and reconciled to the GAAP measure of net profit after tax on slide 12 of this presentation.

Multiple growth levers

Capital efficient growth focused on acquiring market positions that can help sustain building a competitive advantage in innovation



INNOVATION

of the Global Trade Platform



GREATER USAGE

by existing customers



NEW CUSTOMERS

on the platform



ACQUISITION

to accelerate and de-risk growth

1H 25 Key Performance Indicators show solid growth



Note, all comparisons are against first half FY24 (1H 24) unless otherwise stated.
Annual recurring revenue is calculated using subscription revenue for September 2024 and the monthly average of transaction revenue for Q2 FY25 annualised.

Customers: Australasia's leading shippers and freight forwarders

Our solutions are 'business critical' for both shippers and freight forwarders

Dairy



Meat



Seafood



Horticulture



Logistics & other



Note, logos don't necessarily correspond to top customers.

Revenue growth driven by rising usage of our solutions

TradeWindow customer segments



Revenue drivers:

- Solutions used
- Shipments processed
- Customer numbers



Revenue drivers:

- Modules used
- Seats (customer licenses)
- Customer numbers



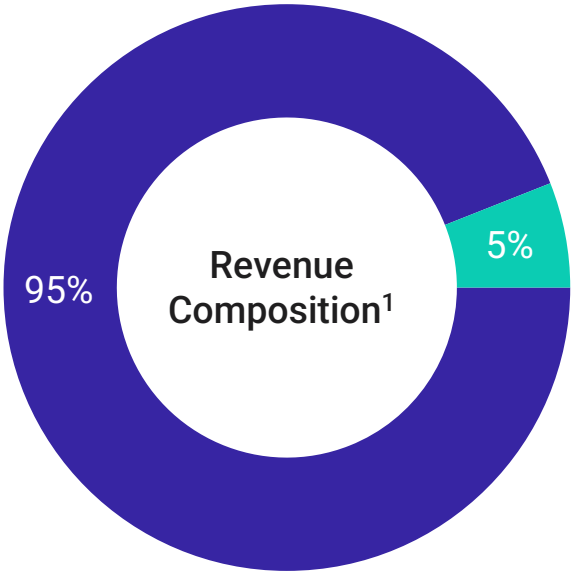
Revenue drivers:

- Transactions
- Customer numbers

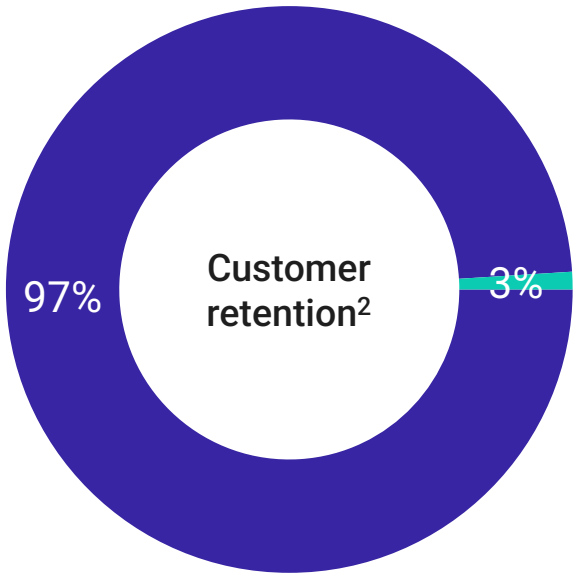
Customer numbers (end of period)	1H 25	FY24
Subscriber – Freight	307	273
Subscriber – Shippers	143	145
Pay As You Go customers	99	95
Total customers	549	513

- Strong revenue growth in FY 24 was sustained by:
 - Driving greater use of TradeWindow’s solutions by existing customers
 - Sustained trade volumes driving transactions (shipments processed)
- Growth in customer numbers limited by:
 - New Zealand market penetration - >50% of primary sector exporters using our solutions
 - Industry consolidation
 - Australian enterprise sales have a long cycle
- Tactical shift in Australia driving new customer acquisition in FY25
 - On-demand business model leveraging our unique ‘Origin’ and ‘Tariff’ services to build subscriber sales pipeline
 - Partnerships - new Tariff Service launched with IFCBAA on 1 August lifts customers numbers by 32 to 549

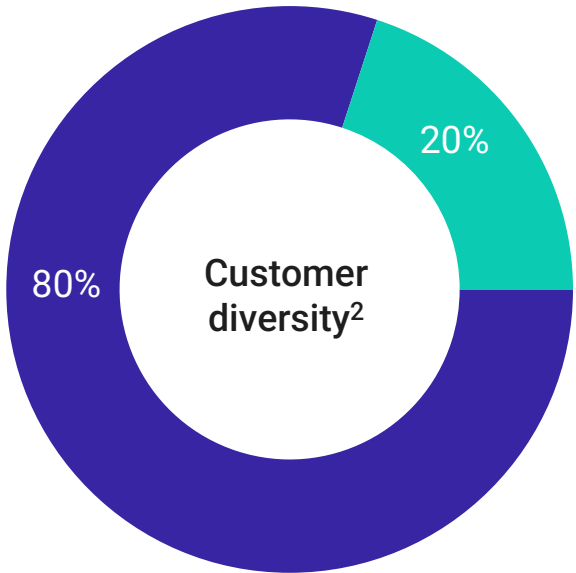
High quality, diverse and predictable recurring revenues



- Transactions and subscriptions
- Service and installation fees



- Retained customers
- Ceased customers



- Other customers
- Top 10 customers

1. Six months ended 30 September 2024
2. As at 30 September 2024

Product: delivering incremental innovations

Our sustainable and targeted research and development initiatives are focused on delivering new features and functionality to drive revenue growth in the near term

New features and functionality delivered in the first half of 2025 include:

- ✓ Cube – Importer API connectivity
- ✓ Cube - CO₂ tracking
- ✓ Freight - E-commerce solution upgrades

The screenshot displays the 'Container Tracking' interface. It features a 'Detailed Events' section with a timeline of activities: Gate out at Longburn (02 Jul 2024), Gate in at Tauranga (06 Jul 2024), Load (13 Jul 2024), Vessel departure (13 Jul 2024), Vessel arrival at Philadelphia (06 Aug 2024), Discharge (06 Aug 2024), Gate out (09 Aug 2024), and Empty container return (15 Aug 2024). A map shows the shipping route from Tauranga to Philadelphia. A callout box highlights 'Arrival at POD' with an arrival time of 03 Nov '24 15:10 (AIS) and a carrier arrival of 04 Nov '24 05:07. Another callout box displays 'CO₂e EMISSION' data: Total: 1.675 tonnes (with a 'View Breakdown' link) and Intensity: 0.01477 kg/t.km. A third callout box, titled 'Total Emissions', contains a table with columns for WTT, TTW, and Total (WTT + TTT), showing values of 0.248 tonnes, 1.428 tonnes, and 1.675 tonnes respectively. Below the table is a note stating the CO₂e reading is calculated based on a full container load following GLEC, EN 16258, and ISO 14083 standards, with a link for more information. An 'Okay' button is at the bottom of this callout.

WTT	TTW	Total (WTT + TTT)
0.248 tonnes	1.428 tonnes	1.675 tonnes

The CO₂e reading is calculated based on a full container load, following the GLEC, EN 16258, and ISO 14083 standards. If you need more information, [contact support for help](#)

Okay



Financial overview



Financial performance

Trading revenue up 22% driven by organic growth across all core products

Income Statement \$000	1H25	1H24	Change %	2H24	Change %
	6 months	6 months		6 months	
Trading revenue	3,672	3,000	22%	3,179	15%
Other income	37	0	n/a	574	-94%
Total Income	3,708	3,000	24%	3,753	-1%
Employee benefits expense	(3,562)	(5,601)	-36%	(3,853)	-8%
Other expenses	(1,427)	(2,105)	-32%	(1,820)	-22%
Total expenses	(4,989)	(7,707)	-35%	(5,673)	-12%
EBITDA¹	(1,281)	(4,706)	-73%	(1,920)	0%
Revaluation of contingent consideration		1,216	0%	0	n/a
Depreciation & amortisation	(1,048)	(1,264)	-17%	(1,248)	-16%
Net finance expenses	(68)	(16)	338%	(71)	-4%
Income tax		0	0%	(5)	-100%
Net loss after tax	(2,396)	(4,770)	46%	(3,244)	-26%

- **Trading revenue** up 22% to \$3.7m, with sales growth across all core products
- **Employee costs** down 36%, reflecting cost reductions initiated as we focus on EBITDA breakeven
- **Other expenses** down 32%, with reduced innovation and development activity
- **EBITDA loss** reduced 73% with revenue growth and cost down
- **Contingent consideration** movement reflected a revaluation to nil of the deferred earnout relating to a historical acquisition

¹ EBITDA – Earnings before interest, tax, depreciation & amortisation

Recurring revenue growth in all markets

Organic growth underpinning revenue increase

Revenue by type \$000	1H25	1H24	Change %	2H24	Change %
	6 months	6 months		6 months	
Transactional	1,920	1,437	34%	1,534	25%
Subscription	1,561	1,369	14%	1,447	8%
Services	114	131	-13%	138	-18%
Installation	77	63	22%	61	27%
Total trading revenue	3,672	3,000	22%	3,179	15%
Other income	37	0	n/a	574	-94%
Total income	3,708	3,000	24%	3,753	-1%

Trading revenue by country \$000	1H25	1H24	Change	2H24	Change %
	6 months	6 months		6 months	
New Zealand	2,237	2,033	10%	1,942	15%
Australia	1,272	900	41%	928	37%
Asia, Pacific Is. & rest of world	164	67	143%	310	-47%
Total trading revenue	3,672	3,000	22%	3,179	16%

- **Organic trading revenue growth** of 22% driven by combination of larger new customers, existing customers taking up complementary solutions and effectively passing on many inflation-driven operating cost increases
- **Recurring revenue:** stable revenue with transactional and subscription revenue forming 95% of trading revenue
- **Other income** - low with no R&D grants reflecting reduced innovation activity
- Continued focus in New Zealand and good progress in Australia. Expect Origin to underpin Australian revenue growth in the upcoming year

Average revenue per customer (monthly)

ARPC up across all customer segments

Freight	1H25	FY24	%Change
Subscriber ¹ customer nos. period end	307	273	12%
Ave Subscriber customer nos.	283	268	6%
Ave monthly revenue per customer	824	638	29%

Shipper	1H25	FY24	%Change
Subscriber ¹ customer nos. period end	143	145	-1%
Ave Subscriber customer nos.	144	148	-3%
Ave monthly revenue per customer	1,944	1,707	14%

Customer Numbers as at 30 September 2024	1H25	FY24
Freight	307	273
Shipper	143	145
Pay As You Go	99	95
Total customer numbers	549	513

¹ Subscriber customers are those that are licensing TradeWindow's software and generate monthly subscription revenue. These customers may also generate transaction, services & installation revenues. It excludes Pay as you go customer revenue.

- **Increased monthly Average Revenue Per Customer (ARPC) for Freight** – up 29% continue to reflect existing customers utilising more functionality and higher value of new customers than current averages
- **Increased monthly ARPC for Shippers (exporters & Importers)** – up 14%. Reflects continued organic sales growth across Prodoc, Cube and Origin products
- Cost inflation passed on

Operating expenses / staff numbers

Reflects reorganisation initiated last financial year

Personnel and employee expense \$000	1H25	1H24	Change %	2H24	Change %
	6 months	6 months		6 months	
Cost of goods sold	1,014	1,113	-9%	976	4%
Research & Development	905	2,394	-62%	1,349	-33%
Sales & Marketing	768	1,067	-28%	710	8%
General and Administration	875	1,027	-15%	818	7%
Total personnel and employee expense	3,562	5,601	-36%	3,852	-8%

Other expenses \$000	1H25	1H24	Change %	2H24	Change %
	6 months	6 months		6 months	
Cost of goods sold	416	358	16%	394	6%
Research & Development	135	269	-50%	195	-31%
Sales & Marketing	64	221	-71%	79	-19%
General and Administration	812	1,257	-35%	1,152	-30%
Total other expenses	1,427	2,105	-32%	1,820	-22%

Staff nos. (FTE)	1H25	1H24	Change %	2H24	Change %
	6 months	6 months		6 months	
Cost of goods sold	18	18	-2%	13	33%
Research & Development	18	34	-47%	16	13%
Sales & Marketing	11	17	-32%	9	20%
General and Administration	9	10	-9%	8	16%
Total staff nos. (FTE)	56	79	-29%	47	21%

- **Employee costs** down 36% reflect cost reductions initiated last financial year:
 - 29% reduction in staff numbers
 - Team in Philippines growing, provides a channel of talent including software development and customer support
- **Other costs** down 32%, with reduced innovation and development activity
- **No R&D cost capitalised** to balance sheet.

Balance sheet

\$000s	1H25	FY24	Change \$	Change %	Movements
Current Assets	1,454	1,192	262	22%	
Non-Current Assets	10,659	11,583	(924)	-8%	Intangibles asset amortisation
Total Assets	12,113	12,774	(661)	-5%	
Current Liabilities	2,186	2,151	35	2%	
Non-Current Liabilities	1,209	1,383	(175)	-13%	
Total Liabilities	3,394	3,534	(139)	-4%	Reduced trade payables
Net Assets	8,718	9,240	(522)	-6%	
Total Equity	8,718	9,240	(522)	-6%	Accumulated losses net of capital raised

Cashflow

Average monthly cash consumption continuing to reduce

✓ \$000	1H25	1H24	Change %	2H24	Change %
	6 months	6 months		6 months	
Operating Activities					
Cash Received from Customers	4,102	3,174	29%	3,965	3%
Cash Paid to Suppliers and Employees	(5,308)	(7,487)	-29%	(6,508)	-18%
Income Tax Received	0	0	-100%	46	-100%
Grant Income	3	500	-99%	556	-100%
Operating net cash flow	(1,203)	(3,813)	-68%	(1,941)	-38%
Investing net cash flow	(2)	60	-104%	16	-115%
Financing cash flow	1,522	(587)	-359%	305	400%
Net Change in Cash	316	(4,340)	-107%	(1,620)	-100%
Opening Cash	188	6,148	-97%	1,808	-90%
Closing Cash	505	1,808	-72%	188	0%
Average monthly cash outflow¹	(231)	(723)		(353)	

- **Balance date cash** and cash equivalents of \$0.5m
- Capital raise proceeds net of costs in the period \$1.7m. A further \$0.3m is due 30Nov24.
- **Average monthly cash burn reduced**
 - From \$0.7m in 1H24 to \$0.4m in 2H24 and \$0.2m in 1H25.
 - Reflects the net cash impact of revenue growth and cost reduction actions through out the year

¹ Average monthly cashflow excludes capital raise and acquisition transactions

FY25 outlook: towards profitability

- Solid customer onboarding pipeline provided the confidence to narrow the revenue guidance range for the full year upward to \$7.5 million to \$8.3 million¹.
- On-track to deliver monthly EBITDA breakeven in March 2025 with monthly cash break even in the following months.
- Predictable recurring revenues from over 549 customers including some of the world's most prolific agriculture exporters and freight forwarders.
- Strong market position with more than 50% of New Zealand's primary industry exporters using TradeWindow software.
- Strong potential for growth in Australia. Already more than 50% of our customers are based in this market, which is seven times the size of New Zealand's.
- Sustainable targeted research and development programme delivering incremental innovations.

1. Guidance for FY25 is subject to changes in the macro-economic environment and the timing of customer onboarding. For the assumptions underlying this statement please refer to Slide 20 and the Company's going concern assumption detailed in full on pages 9 & 10 of the Interim Financial Statements for the six months ended 30 September 2024 released to the NZX today. Note these assumptions relate to the 12 months from today's date.





Appendix

Projected financials – key assumptions

Forward-looking financial information is inherently subject to uncertainty and judgement.

Key assumptions which may have a material risk to our projections include:



SPECIFIC

- The rate and timing of new customer traction
- Successful retention of people with the required skills cost effectively
- No research and development costs have been capitalised to the balance sheet



GENERAL

- No material change in the current economic conditions locally and globally
- No changes in accounting standards or other mandatory professional reporting requirements

Glossary

Annualised Recurring Revenue (ARR)

The recurring revenue for a specified month annualised.

Average Revenue Per Customer (ARPC)

Is subscriber customers' monthly revenue divided by number of subscriber customers as at end of the month. The value provided is the average of the monthly ARPC for the period.

CAGR

Compound annual growth rate.

Customer retention rate

Customer retention rate is the number of subscriber customers who leave in a month as a percentage of the total subscriber customers at the start of that month. The percentage provided is the average of the monthly churn for the period. The customer retention rate is the inverse of customer churn.

Customs Broker

A Customs Broker is a licenced individual who acts as an intermediary for Shippers and Freight Forwarders in handling the sequence of customs formalities involved in the customs clearance and importing goods.

EBITDA

Earnings before interest, taxation, depreciation and amortisation.

Freight Forwarder

A Freight Forwarder is an organisation who arranges and handles the transport of goods between countries on behalf of their customers. Responsibilities can also include storing products, negotiating transportation rates and booking cargo space.

Shipper

A Shipper is an exporter or importer who requires carriers to transport goods for transport from one location to another.

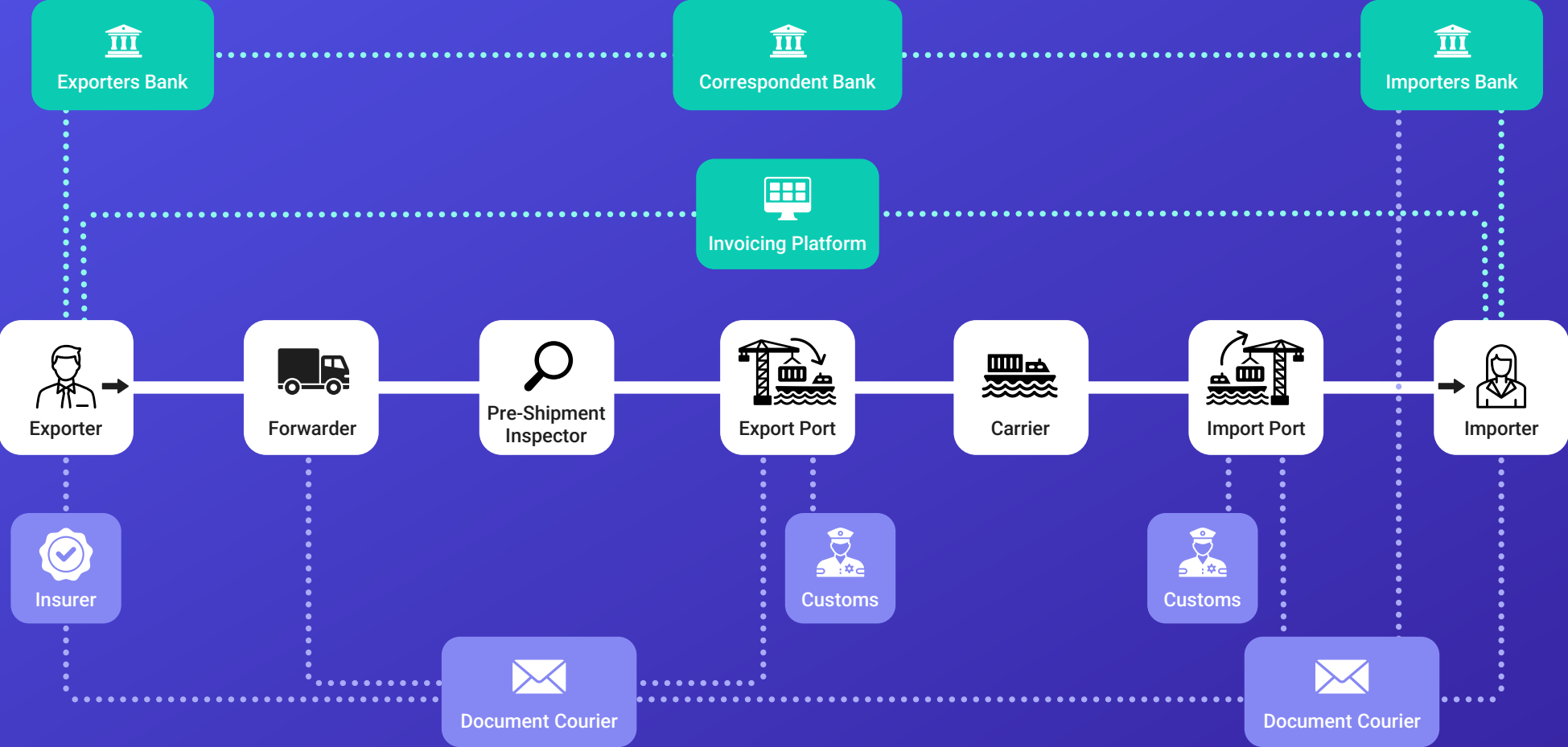
Subscriber customers

Customers that license and/or access Trade Window's software on a monthly basis. These customers may also generate transaction, services and installation revenues. It excludes customers of Trade Window's pay as you go platforms.

Recurring revenue

Revenues that are predictable, stable and can be counted on to occur at regular intervals going forward with a relatively high degree of certainty. For Trade Window this is subscription and transactional revenue.

TradeWindow is digitising global trade information flows



Key:

-  Financial
-  Physical
-  Information



Suite 4
31 Northcroft Street
Takapuna
Auckland 0622
+64 9 836 4200

Investor Contact

Andrew Balgarnie
Chief Strategy Officer
p: +64 275 594 133
e: andrew@tradewindow.io

www.tradewindow.io