TradeWindow Investor Update

Quarter 3 - FY25

ON TRACK TO DELIVER MONTHLY EBITDA BREAKEVEN

Dear Shareholders,

I'm pleased to report that TradeWindow has maintained strong momentum from the first half of the year. We have delivered our strongest ever quarterly performance for the period ended 31 December 2024.

Our financial and operational metrics demonstrate continued growth:

- **Trading revenue:** $5.8 million, up 26% on the prior year.
- **Annual Recurring Revenue (ARR):** up 35% on 31 December 2023 to $7.9 million.
- **Customers:** up 49 on the prior year to 562.
- **Customer Retention Rate:** 93%, no change on FY24.

This strong performance was driven by two key factors: successful customer acquisition and activations; and the anticipated seasonal uplift from horticultural exports and e-commerce imports. Despite ongoing global geopolitical uncertainties, the Australasian export sector's focus on consumer staples continues to provide stable and predictable demand for our solutions.

Looking ahead, we see significant growth potential. Global demographic trends and increasing demand for high-quality food products position Australian and New Zealand exporters favourably for sustained growth. This aligns well with our strategic focus, as we continue to enhance our software solutions to better serve this expanding market.

In the near term, we remain focused on two strategic priorities:

- Achieving EBITDA breakeven during March 2025.
- Continuing self-funded investments in our software platform to drive future growth.

We are only at the start of digitalising global trade, it's exciting to consider the gains that could be delivered across the supply chain with new and emerging technologies such as artificial intelligence (AI). Technology is the lever which businesses both big and small can use to access global markets.

REVENUE GROWTH

We carried momentum into Q3 FY25 with consecutive monthly growth capped off with a record-breaking December. This achievement was driven by our operations team's outstanding execution in accelerating customer onboarding. Based on this strong performance, we remain confident in our full-year FY25 revenue guidance of $7.5 million to $8.3 million, leading up to our 31 March 2025 year-end.

Our 35% growth in ARR demonstrates the successful onboarding of multiple enterprise-scale customers who have now deployed our solutions across their operations. Customer demand remains strong with our onboarding pipeline booked up to the end of May.

The freight forwarder segment achieved a significant 38% increase in Average Revenue Per Customer (ARPC), primarily driven by heightened e-commerce shipment volumes during the holiday season. This substantial growth reflects the accelerating shift toward online retail consumption and our customers' critical role in servicing this expanding market. The strong performance demonstrates both our platform's scalability in handling peak seasonal demands and our freight forwarding customers' success in capturing the growing e-commerce logistics opportunity.

Key Performance Indicators - nine months ended 31 December 2024 (Q3 FY25) (Unaudited)

$5.8m	$7.9m	$1,976	$879
Trading revenue	Annual Recurring Revenue	ARPC (Shippers)	ARPC (Freight Forwarders)
▲ Up 26% on YTD24	▲ Up 35% on YTD24	▲ Up 16% on FY24	▲ Up 38% on FY24

61%	562	93%	36%
Gross Margin	Customers	Customer retention rate	% of expenses R&D and Commercialisation
▲ Up 7 ppt on FY24	▲ Up 49 on FY24	▲ No change on FY24	▼ Down 11 ppt on FY24

Note, all comparisons are against year to date 31 December 2023 (YTD24) unless otherwise indicated.
ARR is calculated using subscription revenue for December 2024 and the monthly average of transaction revenue for Q3 FY25 annualised.

HIGH QUALITY CUSTOMERS

We power the trade operations of Australia and New Zealand's essential export, import, and logistics enterprises. Our software solutions serve industry leaders who supply vital food commodities to global markets, including premier producers of dairy, meat, fruit, vegetable, and seafood products. These businesses form the backbone of the A/NZ economy, delivering essential products to millions of consumers worldwide.

Our exceptional 93% revenue retention rate demonstrates both the quality of our customer base and the mission-critical nature of our solutions in managing their international trade operations. Our technology has become integral to our customers' core business processes, enabling them to efficiently manage their vital trading activities.

The uptick in customer numbers over Q3 was primarily driven by pay-as-you-go sign ups for Speedi and Origin in line with historical seasonal trends.

GROSS MARGINS

Our gross margins remain strong at 61%, maintaining last quarter's performance and representing a significant 7 percentage point improvement year-over-year. As we advance toward profitability, we're executing several strategic initiatives to further enhance our gross margins:

- Value-Based Pricing Optimisation: We are aligning our pricing structure to reflect the enhanced value delivered through our continued improvements and new feature releases.
- Strategic Cross-Selling: Our Customer Success team are expanding revenue opportunities within our existing customer base by promoting additional value-add solutions, with a particular focus on our Certificates of Origin service.
- Customer Success: We are intensifying our customer engagement to ensure users are fully trained and extracting maximum value from TradeWindow solutions across their operations.
- Operational Excellence: We continue to refine our sales and onboarding processes to improve efficiency and reduce delivery costs.

This comprehensive approach to margin improvement builds upon our proven track record while establishing a strong foundation for sustained profitability growth.

COSTS & PROFITABILITY

Our path to profitability continues to strengthen, with monthly cash burn steadily decreasing as we approach EBITDA breakeven. This trajectory toward self-sustaining operations is strategically crucial, particularly in the current challenging capital markets environment.

Achieving profitability will enhance our operational autonomy and planning capabilities, while reducing our reliance on external funding requirements.

PRODUCT DEVELOPMENT

In the past quarter, we have made significant strides in our product development efforts, introducing enhancements across our entire product lineup. One of our key achievements is the launch of Freight v4.07, an updated version that integrates workflow and task management functionalities—features that were previously lacking but are essential for medium to large-sized freight forwarders and customs brokers.

Additionally, we have rolled out an upgraded e-commerce API, which further strengthens our offerings in the Freight and Speedi products. This enhancement comes in response to the booming e-commerce sector, exemplified by the rapid growth of platforms like Temu and others. We expect to capture a substantial share of this growth in 2025 through our continuously refined e-commerce API.

Our cornerstone product, Cube, has also advanced significantly over the past quarter. We have enhanced our events and tracking capabilities, enabling real-time container tracking with predictive ETA and ETD functionalities, powered by AI, machine learning, and various integrated algorithms. This empowers our clients with unparalleled precision in visibility, risk management, and decision-making related to trade movements.

Furthermore, our Origin solution has been updated to include TAFTA (Australia/Thailand) and AIECTA (Australia/India) Free Trade Agreements (FTAs).

HOSTED INFRASTRUCTURE ENHANCEMENTS

We are in the process of upgrading our hosting options, transitioning our hosting services to Microsoft Azure Cloud for all Freight clients. Migrations for over 300 freight forwarders have commenced, which will enhance control and quality management while improving response times facilitated by our in-house team. This offering will not only add efficiency, but also deliver a new revenue stream.

R&D, AI & MACHINE LEARNING ADOPTION

Our Research and Development team has experienced incremental and sustainable growth in both team size and capabilities, with plans to attract top talent for our development centre in the Philippines. As part of our commitment to innovation, we have embarked on our AI adoption journey within our development tools. Beginning January 1, 2025, all development teams will gain access to advanced AI tools, aimed at accelerating our development processes.

According to a joint survey by OutSystems and KPMG, 75% of software executives have reported a reduction of up to 50% in development time due to AI implementation[1]. At TradeWindow, we are already witnessing substantial improvements in development efficiency and speed. We will continue to explore additional use cases for AI and machine learning and anticipate providing quarterly updates on our progress.

Moreover, we are leveraging machine learning and AI within our internal data lakes to enhance decision-making, with ongoing exploration of use cases for predictive analytics across our business functions. This refined update captures the essence of our recent advancements while providing clarity and insight into our ongoing initiatives.

OUTLOOK

The current currency environment, with relatively weak New Zealand and Australian dollars, continues to support export trade volumes. Looking ahead, anticipated interest rate cuts in both markets should further enhance the competitive position of A/NZ exporters.

The enduring global demand for high-quality Australian and New Zealand products, combined with favourable exchange rates, provides a strong foundation for sustained trade volumes with our key international trading partners. We believe that this provides fertile grounds for our continued growth in 2025.

Thank you for your ongoing support.

Kind regards

AJ Smith,
Executive Director & CEO