

22 AUGUST 2023

TradeWindow Investor Update

Quarter 1 - FY24



CHARTING OUR PROGRESS

Here at TradeWindow we're always looking at how we can improve the way we operate and engage with our key stakeholders, including shareholders. It is in this spirit that we release this, our first quarterly investor update. Going forward, you should expect similar releases shortly after the end of each quarter. These updates will come along with the announcements we provide for our half-year and full-year results.

Importantly, in these updates, we intend to report against the key performance measures we deliver in our results announcements, deliver more detail on how we are progressing against our strategy, as well as insights on the TradeTech market. Our aim is to deepen the understanding of our business and ultimately ensure fair recognition of the value we are creating.

TradeWindow operates in a fast-paced dynamic market that sits at the crossroads of leading-edge technology and ever-changing regulation. We are an early mover in a TradeTech sector estimated to be worth \$59 billion¹ worldwide.

International trade provides growth opportunities that lead to higher levels of productivity and prosperity for all participants. We play an important role in enabling this outcome, by making trade more accessible to a wider range of businesses, including small and medium-sized enterprises.

Our growth strategy aims to leverage our strong position in the New Zealand market to evolve into a global business in line with our vision to enable end-to-end trade connectivity across global supply chains.

¹ Combined Total Addressable Market (TAM) for global supply chain management market and the global food traceability market.

Newsletter Highlights

Charting Our Progress

Financial Performance

Product Development

TradeTech Market Developments

nChain Strategic Partnership

OUR STRATEGY



Our vision

End-to-end connectivity across global supply chains



Our mission

To make global supply chains more productive, connected and visible

Strategic summary

Trusted digital trade facilitation delivered through a global trade platform that connects our customers with their supply chain ecosystem

Our strategic priorities

Land	Grow	Unify	People
Market penetration Build on the foundations of our acquired customer base across A/NZ, and expand into Asia & US	Add customer value Build trusted relationships with our existing customers; with market leading brands taking up Cube	Global trade platform Converge proprietary and acquired software solutions into a highly scalable global trade platform	Build capability Create and maintain an environment focused on performance, innovation and accountability
Acquire			
Accelerate growth			
Continue to look for ways to accelerate our strategic priorities and growth through targeted acquisition			

FINANCIAL PERFORMANCE

Since the start of the financial year on 1 April 2023 we've continued to win new customers. The majority of these are freight forwarders switching from competing solutions in search of a more cost-effective way to manage their operations.

We have been focused on streamlining our onboarding processes to provide a more seamless transition for our customers into the world of digital trade. These efforts have contributed to an improvement in gross margin in the quarter which, at 48%, is up two percentage points on the FY23 results.

Growth in both the shipper and forwarder segments saw the team deliver a record month in a quarter which totalled \$1.5 million in trading revenue (unaudited) for the period 01 April to 30 June 2023. On a forward-looking basis, we expect current customer contracts to produce \$5.9 million in recurring revenue over the next 12 months to the end of Q1, FY25. The balance of our revenue outlook is expected to come from new customers.

Over the past year Average Revenue Per Customer (ARPC) per month grew 19% and 18% for shippers and freight forwarders respectively. The majority of this ARPC growth is a consequence of cross-sales completed prior to the end of the FY23 financial year.

We are focused on maintaining a customer retention rate over 90%. High levels of customer retention reflects the business-critical nature of our solutions and customers growing reliance on our solutions to run their operations.

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Key Performance Indicators - first quarter ended 30 June 2023 (Q1, FY24) (Unaudited)



Note, all comparisons are against first quarter FY23 (1Q23) unless otherwise indicated. Annual recurring revenue is calculated using subscription revenue for June 2023 and the monthly average of transaction revenue for 1Q, FY24 annualised.

PRODUCT DEVELOPMENT

Cube (Global Trade Platform)

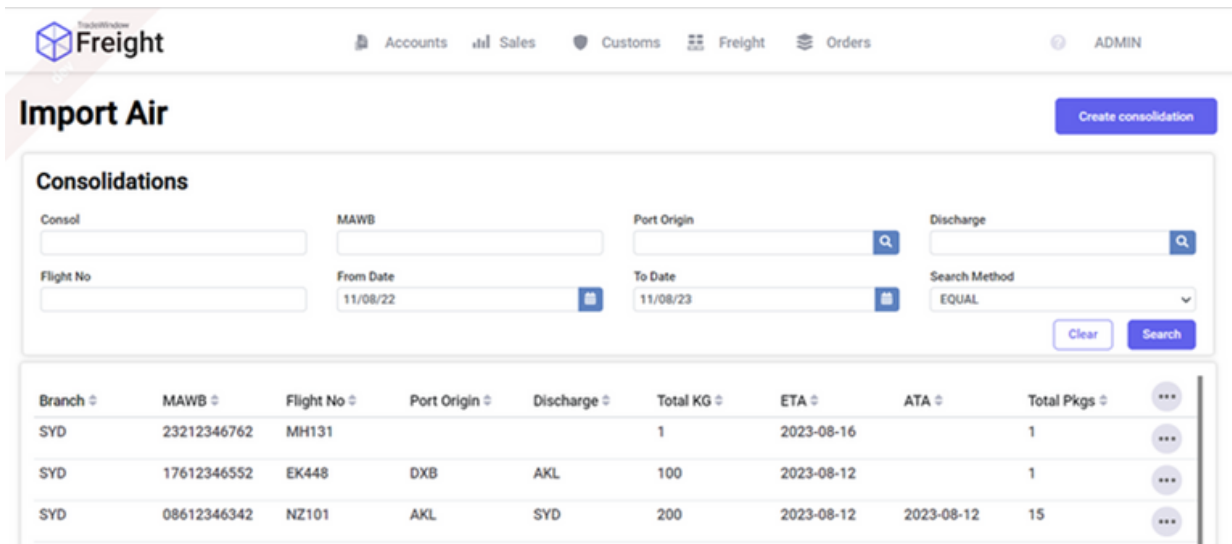
We have added new functionality over the quarter to Cube, the foundation of our Global Trade Platform, with enhanced visibility. In the coming weeks, our customers can choose to access Estimated Time of Arrival (ETA) and Actual Time of Arrival (ATA) in Cube, providing a comprehensive overview of key milestones, deadlines, and container statuses across each shipment (see below). This capability provides exporters with the ability to manage resources and have greater control over their supply chain.

Container	ARRIVE	DEPART	GATEIN	LOAD	PICKUP
FDCU0510982	-	24 Jul 2023 at 4:00 am	21 Jul 2023 at 11:32 am	22 Jul 2023 at 8:57 am	13 Jul 2023 at 12:00 pm
SEGU1636357	-	-	-	-	20 Jul 2023 at 4:22 pm
OOCU4773550	-	18 Jul 2023 at 4:01 pm	15 Jul 2023 at 7:10 am	18 Jul 2023 at 6:34 am	12 Jul 2023 at 9:20 am
FDCU0637391	-	21 Jul 2023 at 11:00 am	15 Jul 2023 at 11:28 pm	20 Jul 2023 at 4:59 pm	12 Jul 2023 at 1:34 pm
CSLU5172448	12 Aug 2023 at 11:47 am	08 Jul 2023 at 4:35 pm	Road-MGS105	07 Jul 2023 at 10:41 am	06 Jul 2023 at 11:03 am

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Freight

We've been working to strengthen the value proposition of our Freight solution with the beta release during Q1 of Freight 'Web', an upgrade to the existing modular Freight platform designed for freight forwarders to execute logistics transactions and manage backend operations. The release includes a fresh new look to the user interface providing a more user-friendly experience (see below). Other key features include data validation which helps reduce operator errors by ensuring data is entered in the correct format.



The screenshot displays the 'Import Air' section of the Freight 'Web' interface. It features a search form with fields for Consol, MAWB, Port Origin, Discharge, Flight No, From Date (11/08/22), To Date (11/08/23), and Search Method (EQUAL). A 'Create consolidation' button is visible in the top right. Below the search form is a table of consolidations with columns for Branch, MAWB, Flight No, Port Origin, Discharge, Total KG, ETA, ATA, and Total Pkgs.

Branch	MAWB	Flight No	Port Origin	Discharge	Total KG	ETA	ATA	Total Pkgs
SYD	23212346762	MH131			1	2023-08-16		1
SYD	17612346552	EK448	DXB	AKL	100	2023-08-12		1
SYD	08612346342	NZ101	AKL	SYD	200	2023-08-12	2023-08-12	15

TRADETECH MARKET DEVELOPMENTS

Trade developments in key markets continue to support the adoption of TradeWindow's solutions. On 20 July 2023, the United Kingdom's Electronic Trade Documents Act 2023 became law.

The legislation gives electronic trade documents including bills of lading, promissory notes, and bills of exchange the same legal status as their paper equivalents. It removes friction from trade processes, where paper documents have been required to entitle the bearer to claim delivery of goods or payment.

The passing of this legislation is a significant enabler in the world of digital trade not least because a large proportion of global trade is conducted using documents written in compliance with UK law. It sets an important precedent across all 52 Commonwealth countries and represents one step in a wider international effort to harmonise and digitise global commerce and legal trade frameworks.

We are now looking for New Zealand and Australia to follow suit to make digital the default way to conduct international trade. Such a move will further assist our customers to take advantage of reduced costs and accelerated transaction timelines that come with digitisation, making their businesses more competitive on the world stage.



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NCHAIN STRATEGIC PARTNERSHIP

Our planned strategic partnership with nChain, a leading global provider of blockchain technology, IP licensing and consulting services, will be put to a shareholder vote at our Annual Shareholders' Meeting scheduled for 11am, 31 August 2023.

The nChain logo features the word "nChain" in a white, serif font. The "n" is lowercase and smaller than the "Chain", which is uppercase.

I encourage your attendance and recommend that you vote in favour of the share issue necessary to conclude what I see as a very exciting partnership for the company.

nChain has specialist expertise and a wealth of resources that can help us complete the global trade platform and accelerate our expansion into new markets. Digitising trade is an ambitious and complex process, and nChain provides us with access to over 200 software engineers with deep domain expertise.

In total, the strategic partnership will see TradeWindow receive up to \$11.1 million in value which includes \$2.4 million in cash and a further \$8.7 million comprising enterprise architecture, software development services and software licenses.

In exchange, nChain will take a 19.99% stake in TradeWindow with shares issued at \$0.3952 which represents an 18%² premium to the market price when the Heads of Agreement was announced on 31 March 2023.

The team and I have worked hard to negotiate a deal that is value accretive to existing shareholders. We believe it is in the best interests of the company that you support it.

Further details of the meeting and nChain deal can be found in the Notice of Meeting which was released on 8 August 2023 and can be viewed by clicking on the link below.

[TradeWindow - Notice of Annual General Meeting of Shareholders](#)

I look forward to engaging with you at the Annual Shareholders Meeting and to providing further quarterly updates as we push ahead with the execution of our strategy.

Kind regards,

A handwritten signature in white ink, appearing to be "AJ Smith", enclosed within a white circular scribble.

AJ Smith,
Executive Director & CEO



² TWL share price on the market close on 31 March 2023 was \$0.335.