

TradeWindow Annual Meeting of Shareholders – Chair & CEO addresses

14 September 2022

CHAIR'S ADDRESS – Alasdair MacLeod

Introduction

Good afternoon and thank you for being here with us today.

The 2022 financial year was a full and exciting one for TradeWindow. We experienced strong growth in New Zealand and Australia, continued our evolution towards a global trade platform and listed on the New Zealand Stock Exchange.

Global trade is undergoing profound change as it transitions from manual, paper-based processes to digital. TradeWindow is ahead of this shift. We provide the technology to help those involved in trade – be they exporters, importers, customs brokers or freight forwarders – be more efficient, connected and transparent.

Our strategy

Our strategy, in place at the time of listing in November, remains unchanged as follows:

- Increasing our market penetration
- Achieving greater usage from existing customers
- Expanding our product offering
- Attracting, retaining and building the capability of our people
- Making strategic and targeted acquisitions.

We're making strong progress on executing our strategy since our listing on the NZX in November 2021 and continue to see encouraging business momentum.

Financial summary

During the 12 months to 31 March 2022, total income was \$4.9 million, up 108% while trading revenue was \$3.9 million, up 136%. Strong revenue growth reflected additional revenue from new and existing customers as well as acquisitions. Total income includes government R&D grants.

When acquisitions completed during FY22 were excluded, total income was up 35% and trading revenue was up 32%.

Total operational expenses were \$14.4 million, up 76%. This largely reflects planned increases to support current and future growth. This included substantially increasing the scale and depth of the software development team, increasing our sales and commercialisation capability and building out the organisation contemporaneously with the NZX listing.

Reflecting TradeWindow's current strategy of investment for future growth, EBITDA losses were \$9.5 million, an increase from \$5.9 million in FY21. Net losses after tax were \$10.8 million, up from \$6.6 million a year ago.

Capital management

We successfully raised approximately \$10 million in July through a placement and Share Purchase Plan. This first capital raising as an NZX listed company enables us to continue to execute our growth strategy and capitalise on both organic and acquisition opportunities.

The proceeds will be used to drive organic growth in New Zealand and Australia, continue to build the global trade platform and accelerate global expansion opportunities through acquisitions. The proceeds have also partially funded the acquisition of Rfider, which was completed in July.

Our cash position remains in line with our expectations.

As a growth company we will continue to closely assess our current and future capital needs.

Environmental, Social & Governance

As an early-stage company, our aim is to embed sustainability into our thinking and decision-making, as we build the business. In addition to delivering solutions which drive greater productivity, digital connectivity and transparency, we are committed to demonstrating responsible citizenship through our environmental, social and governance performance.

This includes maintaining a low environmental impact, having an open, inclusive and supportive workplace, making a positive contribution to our communities, and holding ourselves to high standards of ethical behaviour, governance and compliance.

Our listing was a milestone for the company. We have a strong board in place with a range of expertise and experience. During the 2022 financial year, I was pleased to join the board as independent chair, with a governance background in both software companies and the port sector.

In addition, Phil Norman and Diana Puketapu joined the Board as independent directors, ahead of our listing on the NZX.

The Board has established two committees: the Audit & Risk Committee, chaired by Diana, and the Remuneration & Nominations Committee, chaired by Phil.

The Board's focus in the next 12 months will continue to be to support management and the company in monetising existing products and developing and commercialising a global trade platform.

I will now ask AJ to provide some comments before returning to provide statements on outlook.

NB. Chair's address continues following CEO address.

CEO ADDRESS – AJ Smith

As Alasdair noted, the 2022 financial year was a significant one for TradeWindow. Listing on the NZX was the most publicly visible step we took, but we also strengthened our position in the New Zealand market, laid foundations for further growth in Australia and continued to build our global trade platform to support our international expansion plans to Asia and beyond.

Business highlights

At TradeWindow we are proud of the quality of clients we are bringing on board. We serve leading brands across key export sectors including dairy, meat, seafood, horticulture, forestry, FMCG and more.

In the 2022 financial year we had strong business momentum in building our pipeline, conversion and revenue growth. This momentum is continuing in the current year.

For the 2022 financial year, In New Zealand, organic growth has primarily been driven by exporters using our trade documentation solution, Prodoc. In Australia, we have seen growth in take-up of both our Prodoc and Freight solutions. Additionally, we are pleased to report that our flagship connectivity product Cube, released commercially in January 2022, has already been adopted by exporters from a range of sectors.

During the year we continued to improve our core products with 348 enhancements and multiple key ecosystem integrations, including ocean booking platform INTRA and Vero for marine insurance. Since the end of the financial year, we have added 188.

Financial performance

We are pleased with the recurring revenue we are attracting with 94% of our customers retained over the 2022 financial year. Trading revenue from subscriber customers was 92% of our total trading revenue.

We achieved strong organic growth from our Prodoc, Cube and Origin solutions of 32% over the previous year.

We also achieved strong growth in both New Zealand and Australia. While Australia is still very much at an early stage for us, it is already generating around 60% of New Zealand's revenue, demonstrating what a large market opportunity there is relative to New Zealand.

In the 2022 financial year we saw existing customers increase their average monthly spend with TradeWindow by 16%, and we anticipate a stronger growth rate going forward. When looking at our revenue across our top ten customers, it's well diversified with no single customer contributing more than 3% of trading revenue. We have also diversified to include freight forwarders and customs brokers. This resulted in our overall average monthly revenue per customer decreasing by 30% during the period, reflecting freight customers' lower spend. However, we expect average monthly

revenue to increase as existing and acquired customers further digitise their operations and expand the number of TradeWindow solutions they use.

Planned investments are in line with our strategy and business plans, and our general approach to research and development of ensuring concurrent revenue growth alongside software development.

We are pleased with our improvement in gross margin, up from 36% to 50%, representing our focus on efficiency and scale.

Acquisition Strategy

In the year to 31 March 2022, TradeWindow made three acquisitions. In April 2021, TradeWindow acquired the freight forwarding software solution Cyberfreight. In October 2021, TradeWindow acquired customs clearance software solution SpeEDI and freight quotation software solution FreightLegend. In July 2022, TradeWindow completed the acquisition of Rfider to further strengthen its supply chain visibility offering.

Our recent acquisitions are not only providing established customers, they also provide the capabilities needed to differentiate our global trade platform. We will consider further acquisitions where they accelerate our organic growth strategy.

People

Thank you to our 97 employees at TradeWindow. What a team – I could not be prouder of what we have achieved together so far.

We have a talented committed team who are focused on delivering growth in New Zealand, Australia and Asia, as part of our global ambitions. Since listing we have put in place additional human resource and finance capability to ensure we have the right organisational capability for scale. We have also appointed senior leadership in Australia to drive market penetration and continue to build strong technology, product and sales capability.

Thank you

Thank you to my management team for everything you have done in the past 12 months – a huge and exciting year. Your hard work and results are greatly valued. I also thank Alasdair and the Board for their support and guidance.

Thank you to our customers for your support and the trust you place in us. It is exciting to see how together we are transforming trade.

And to you our shareholders. We greatly appreciate your support and your questions and feedback. Thank you.

I'll now hand back to Alasdair.

CHAIR'S ADDRESS (continued) – Alasdair MacLeod**Outlook**

TradeWindow is confident in the global trends driving digital transformation in trade and is well positioned to take advantage of this shift with our proven technology.

We have a clear strategy for FY23 and beyond with particular focus on continued revenue growth in New Zealand and Australia, alongside the building of a global trade platform.

We maintain guidance for the FY23 year. As outlined at our full year results in May, we expect trading revenue to be within a range of \$5.5 million to \$7.0 million, and total income of \$6.0 million to \$7.5 million for the FY23 year.

Our guidance for FY23 remains subject to ongoing geopolitical and environmental uncertainty including the impact of ongoing supply chain challenges, and the timing of customer decisions and implementation of Cube and other solutions.

Thank you

On behalf of the Board, I also thank our shareholders for your support during the past year. We are resolutely focused on execution of our strategy and achieving TradeWindow's potential.

Thank you to AJ and his management team, and all of the team at TradeWindow. I also thank my fellow directors for your commitment and expertise.