

MEDIA RELEASE**TradeWindow announces \$2.2m capital raising.**

Global trade software company updates guidance for the twelve months to the end of March 2024 to \$6.1 million to \$6.2 million and charts path to EBITDA and cashflow break even

Note, all amounts stated are in NZD unless otherwise stated.

26 March 2024

Trade Window Holdings (NZX: TWL) ("**TradeWindow**") the global trade software firm, today announces a \$2.2 million capital raising and sets out a path to delivering positive monthly EBITDA at the end of the 2025 financial year.

It narrows its guidance for the twelve months to the end of March 2024 to \$6.1 to \$6.2 million, an increase of around 25% over the \$4.9 million reported for the twelve months to the end of March 2023 and within the guidance range first issued in November 2023 of \$6.0 million to \$6.5 million.

It also issues new revenue guidance for twelve months to the end of March 2025 of \$7.3 million to \$8.3 million. At the mid-point of the range this represents growth of around 27% on the company's expected result for the twelve months to the end of March 2024.

In line with these forecasts, TradeWindow now expects monthly EBITDA breakeven in March 2025 as it benefits from continued strong growth and the cost savings emerging from the restructuring announced in November 2023.

Finally TradeWindow confirms its lender ASB remains supportive of the business. The bank has amended the facility terms, including removing the cash cover covenant and extending the loan amortisation relief to March 2025, to support the company on its growth trajectory.

TradeWindow Chief Executive AJ Smith said: "Since TradeWindow began to commercialise its digital trade solutions in 2020, shippers and freight forwarders across Australia and New Zealand have moved quickly to reap the productivity benefits they offer.

"In the three years to the end of March 2023, we delivered a compound annual revenue growth rate of 140%¹. Meanwhile, over FY24 we have maintained strong momentum, despite significant and well-publicised constraints on our growth capital and despite our core customers weathering an economic climate that can only be described as 'hostile'.

"TradeWindow has met these challenges with focus, confidence and commitment, demonstrating their resilience. We have successfully offset the impact of widespread consolidation in the shipping services market by selling more of our solutions to existing clients seeking the immediate cost savings and productivity gains they deliver.

¹ CAGR FY20-FY23

"At the same time we have continued to win new customers. Over time we expect these customers to follow what is now a well-trodden path of extending the range of TradeWindow solutions they deploy.

"As we highlight with our guidance today, we see no let-up in this growth in the foreseeable future and we now can see a clear path to EBITDA breakeven and positive cashflow.

"TradeWindow has more than demonstrated the value of its products to the export services industry and, in doing so, their potential to sit at the heart of the exchange of digital of trade information globally," Mr Smith said.

"We have earned the right to grow. The capital raising we launch today, which we expect to see us through to EBITDA, and cashflow breakeven, now seeks investor endorsement of this proposition."

Capital raising detail.

It also announces the launch of a capital raising targeted at funding the company's continued growth. The capital raising includes:

- a non-underwritten placement of up to \$2 million of newly issued ordinary shares to existing and new institutional and other select investors (the "**Placement**"); and
- a share purchase plan (the "**SPP**") to TradeWindow's eligible existing shareholders with an address in New Zealand to raise up to \$200,000 (with the ability to accept oversubscriptions at TradeWindow's discretion), which is not underwritten,

(together, the "**Offer**").

The Placement opens today, 26 March 2024. Shares in the Placement are to be offered at NZ\$0.175 per share ("**Placement Price**"), representing an approximately 10% discount to the Volume Weighted Average Price ("**VWAP**") of TradeWindow shares traded on the NZX during the 20 trading days up to the opening of the offer today.

The SPP will open on or around 8 April 2024. Shares in the SPP are to be offered at the lower of the Placement Price and a 2.5% discount to the VWAP of TradeWindow shares traded on the NZX during the 40 trading days up to, and including, the end of the SPP offer period.

Key dates of the offer are set out below.

TradeWindow will release the financial performance for the fourth quarter on or around 22 April and full financial results on 30 May.

Placement and SPP details

The Placement is open to both existing shareholders in TradeWindow and new investors, in each case who are resident in New Zealand, and to institutional and professional investors in certain other countries in private share offers that are exempt from local prospectus or registration requirements. The Placement will be open for acceptance from 26 March 2024 to 19 April 2024.

TradeWindow is seeking a minimum amount of \$1 million under the Placement.

Applications under the Placement will be accepted in the order in which they are received up to the maximum of \$2 million.

Settlement and allotment of the shares under the Placement will occur progressively from the time at which the \$1 million minimum subscription amount is reached.

The SPP will allow all eligible shareholders with a registered address in New Zealand on the record date, being 25 March 2024, to apply for up to \$50,000 of new shares in TradeWindow. The SPP will be open for acceptance from 8 April 2024 to 19 April 2024.

All new shares issued pursuant to the Offer will rank equally with existing TradeWindow shares on issue.

Rationale and Proceeds

TradeWindow is an early-stage growth company and has previously advised that further investment would be necessary to achieve its goals.

This Offer seeks capital so that TradeWindow can continue to:

1. Drive organic growth in Australia:
 - Capture market share in Australia with a focus on direct sales and establishing channel partnerships.
 - Building company and product profile to support lead generation and conversion in the Australian market.
2. Path to profitability in FY25:
 - Strengthen balance sheet to take the business through to profitability during FY25.
 - Provides resilience to weather unforeseen trading variability and macroeconomic events.
3. Supporting existing solutions:
 - Maintaining existing solutions to ensure a high-quality user experience and reliability.
 - Progressive release of new revenue generating features and functionality which provide a pathway to delivering the global trade platform.

Indicative timetable

DATE	EVENT
26 March 2024	Announcement of equity raising
PLACEMENT	
26 March 2024, 10:00am NZT	Placement opens
19 April 2024, 12:00pm NZT	Placement closes (last day for applications)
26 March – 22 April 2024	Progressive settlement and allotment following receipt of applications (from the time at which the \$1 million minimum subscription amount is reached)
30 April 2024	Announce results of Placement
SHARE PURCHASE PLAN	
25 March 2024, 5:00pm NZT	Record date
8 April 2024	SPP opens
19 April 2024, 5:00pm NZT	SPP closes (last time for applications)
23 April 2024	SPP results and issue price announced
26 April 2024	Allotment and commencement of trading of SPP shares on the NZX

The dates are subject to change and are indicative only. TradeWindow reserves the right to alter the key dates, subject to applicable laws and NZX Listing Rules.

How to Participate in the Placement

If you wish to participate in the Placement, please make your application no later than 19 April 2024. Shares under the Placement are to be settled and allotted progressively from the time at which the \$1 million minimum subscription amount is reached.

Shares under the SPP are expected to be settled and allotted on or around 26 April 2024.

More information

A presentation providing further important information in relation to TradeWindow and the Share Offer was today published by TradeWindow (the "**Investor Presentation**"). A copy of the Investor Presentation and other important information released on 26 March 2023 are available at www.nzx.com under the ticker code 'TWL'.

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About TradeWindow:

Founded in December 2018, TradeWindow is an early-stage software company that provides digital solutions for exporters, importers, freight forwarders, and customs brokers to drive productivity, increase connectivity, and enhance visibility. TradeWindow's software solutions integrate to form a cohesive digital trade platform that enables customers to more efficiently run their back-end operations, share information and securely collaborate with a global supply chain made up of customers, ports, terminals, shipping lines, banks, insurance companies, and government authorities.

www.tradewindow.io

Important notice

This announcement is not a product disclosure statement or offering document under New Zealand law or under any other law. It is for information purposes only and does not constitute an offer, invitation or recommendation to subscribe for, retain or purchase any securities in TradeWindow in any jurisdiction. This announcement does not constitute financial product advice or investment advice and does not and will not form part of any contract for the acquisition of TradeWindow securities.

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The information in this announcement is of general background and does not purport to be complete. It should be read in conjunction with TradeWindow's other market announcements lodged with NZX, which are available at www.nzx.com under ticker code TWL.

Future performance: This announcement and the other materials released with this announcement today (including the investor presentation ("**Investor Presentation**")) may include forward-looking statements about TradeWindow and the environment in which TradeWindow operates, such as indications of, and guidance on, future earnings and financial positions and performance. **You are strongly cautioned not to place undue reliance on forward-looking statements, particularly in light of the current economic climate and significant volatility, uncertainty and disruption.** Forward-looking information is inherently uncertain and subject to contingencies, known and unknown risks and uncertainties and other factors outside of TradeWindow's control, and may involve significant elements of subject judgement and assumptions as to future events which may or may not be correct. Forward-looking statements may also assume the success of TradeWindow's business strategies. The success of any of these strategies is subject to uncertainties and contingencies beyond TradeWindow's control, and no assurance can be given that any of the strategies will be effective or that the anticipated benefits from the strategies will be realized in the period for which the forward looking statements may have been prepared or otherwise. Refer to the key risks section of the Investor Presentation for a non-exhaustive summary of certain key business, offer and general risk factors that may affect TradeWindow. No assurance can be given that actual outcomes or performance will not materially differ from the forward-looking statements. A number of important factors could cause TradeWindow's actual results or performance may differ materially from these statements, particularly as a result of the impacts of the current economic environment. The forward-looking statements are based on information available to TradeWindow as at the date of this announcement. Except as required by law or regulation (including the NZX Listing Rules), TradeWindow undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or otherwise.