



Q2 2024 Earnings Call

Nasdaq: CRGO

August 19, 2024 08:30



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H.C. Wainwright Annual Global Investment Conference

September 9-11, 2024

Virtual

LD Micro Main Event

October 29-30, 2024

Los Angeles

Agenda

Prepared Remarks

- Q2 24 Overview
- Shipsta Acquisition
- Freight Market Update
- Financial Results
- Q3 and FY 24 Guidance

Q&A



Zvi Schreiber
CEO

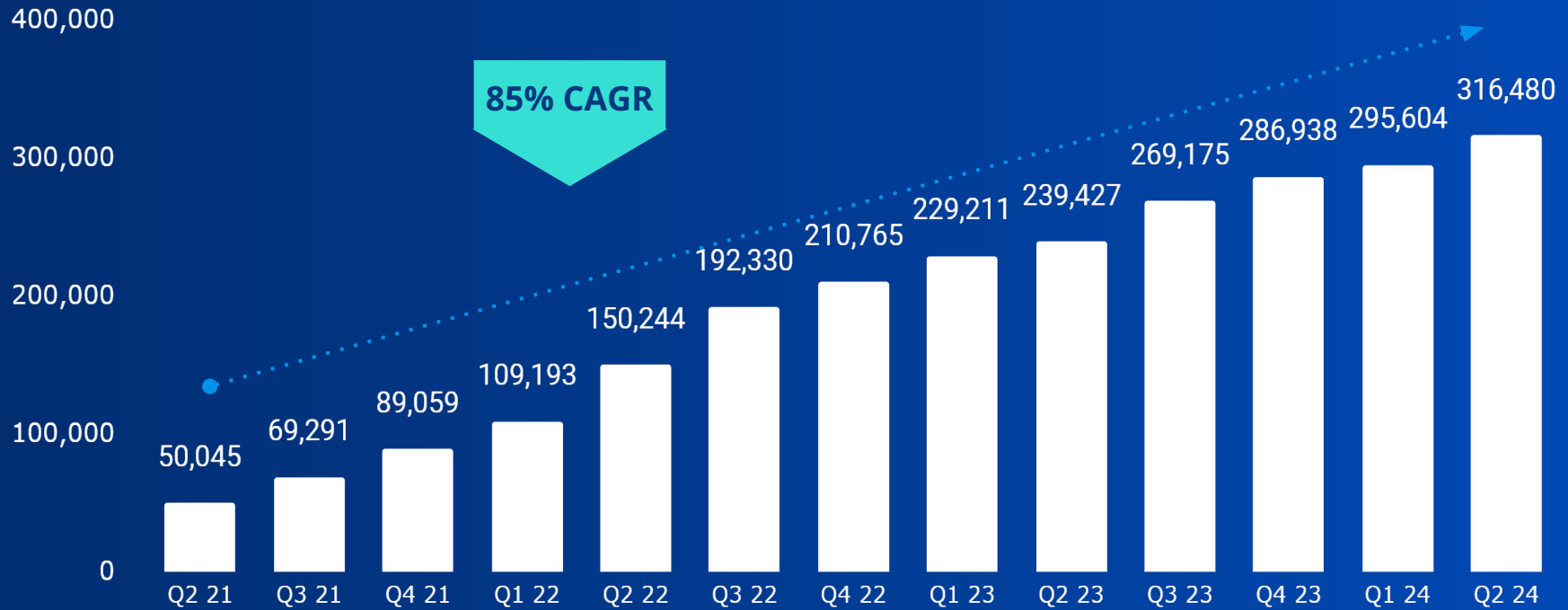
Freightos Acquires Shipsta



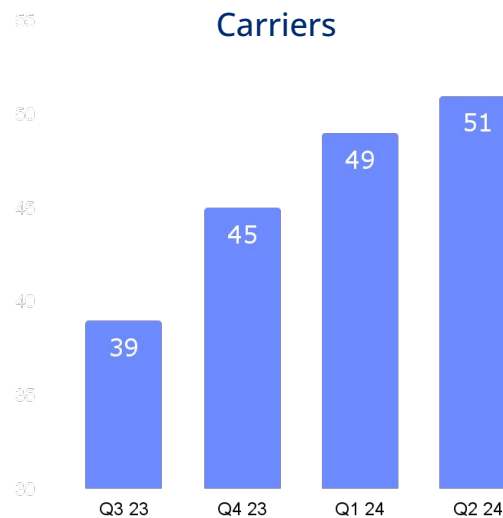
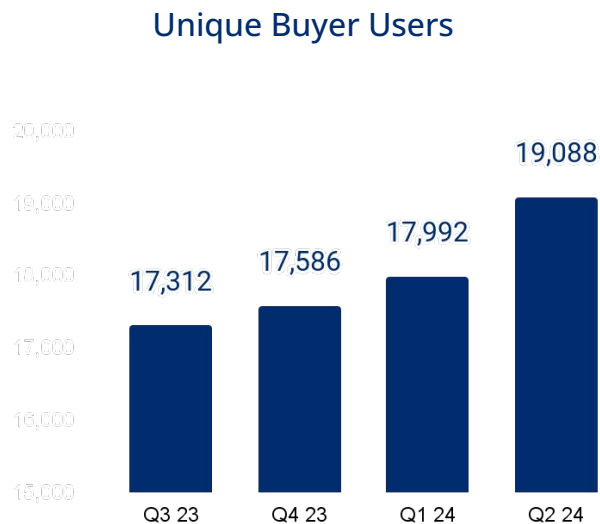
SHIPSTA



Strong consistent transactions growth reflects marketplace network effect



Marketplace buyers and sellers



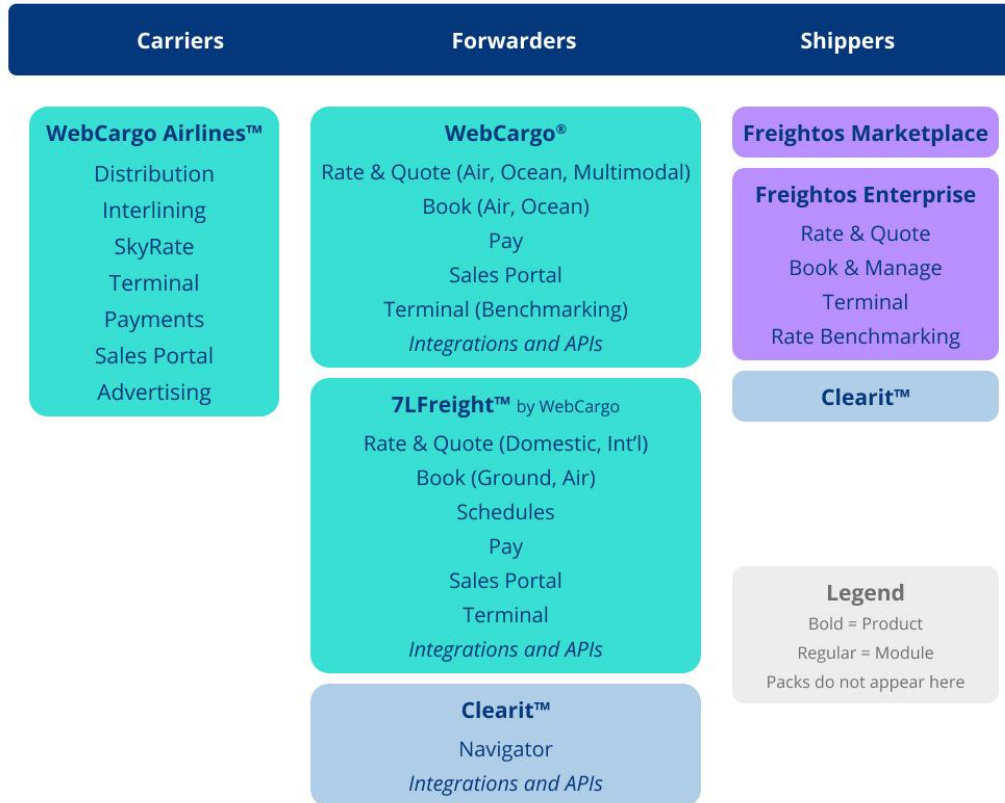
Unique buyer users: Unique buyer users represent the number of individual users placing bookings, typically counted based on unique email logins. The number of buyers, which counts unique customer businesses, does not reflect the fact that some buyers are large multinational organizations while others are small or midsize businesses. Therefore, we find it more useful to monitor the number of unique buyer users than the number of buyer businesses.

Carriers: Number of unique air and ocean carriers, mostly airlines, who have been sellers of transactions. For airlines, we count booking carriers, which include separate airlines within the same carrier group. We do not count dozens of other airlines that operate individual segments of air cargo transactions, as we do not have a direct booking relationship with them. Carriers include ocean less-than-container load (LCL) consolidators. In addition, we only count carriers when more than five bookings were placed with them over the course of a quarter.

Continuously enhancing our offering



Freightos Global Freight Booking and Payment Platform



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Q&A



Christian Wilhelm
Shipsta MD

Shipsta company overview

PROCUREMENT
DIGITAL
WORLD PROCUREMENT
AWARDS 2022 WINNER

Best Procurement Technology Provider



ABOUT US

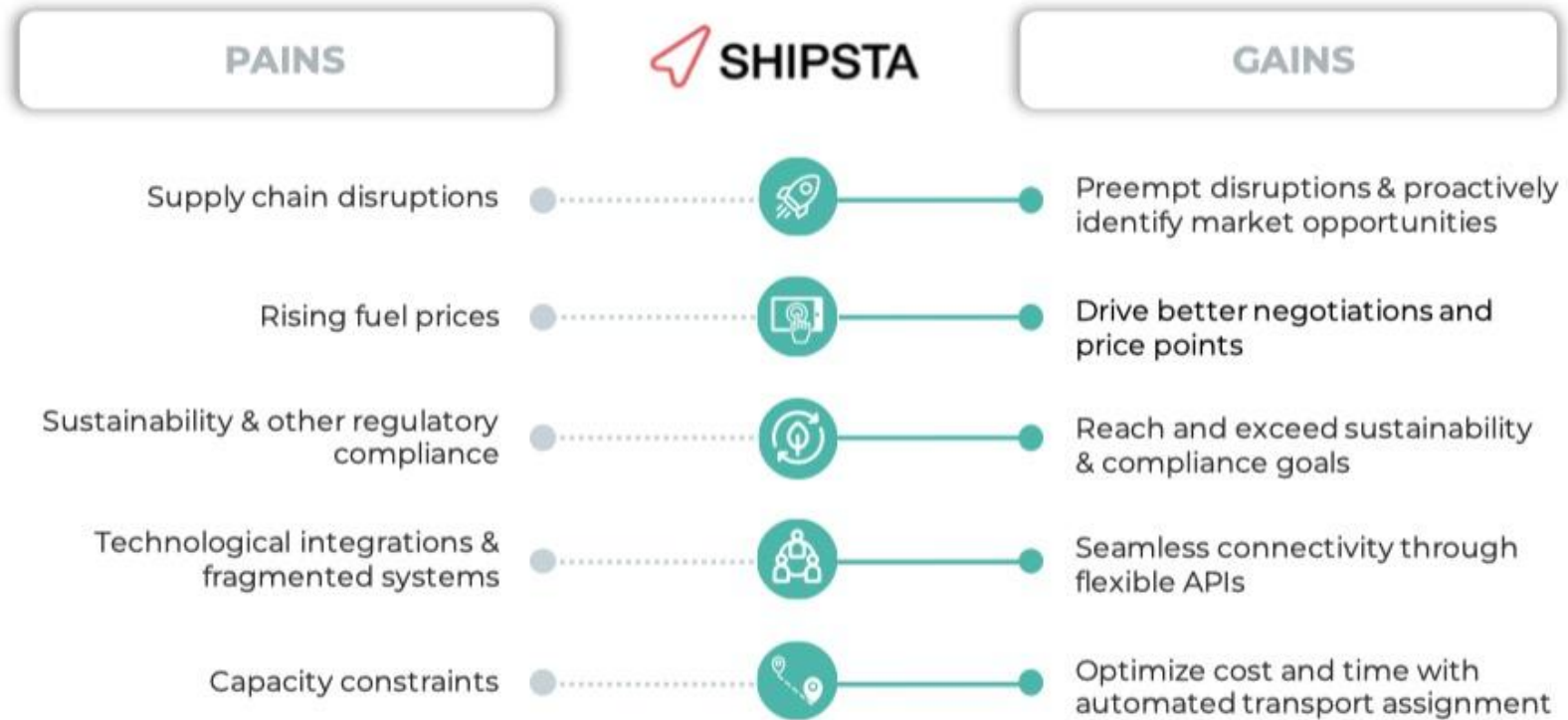
Built by logistics experts, for logistics experts

SHIPSTA digitalizes your transport management processes with a next-generation approach centered around data, automation, connectivity & Artificial Intelligence.

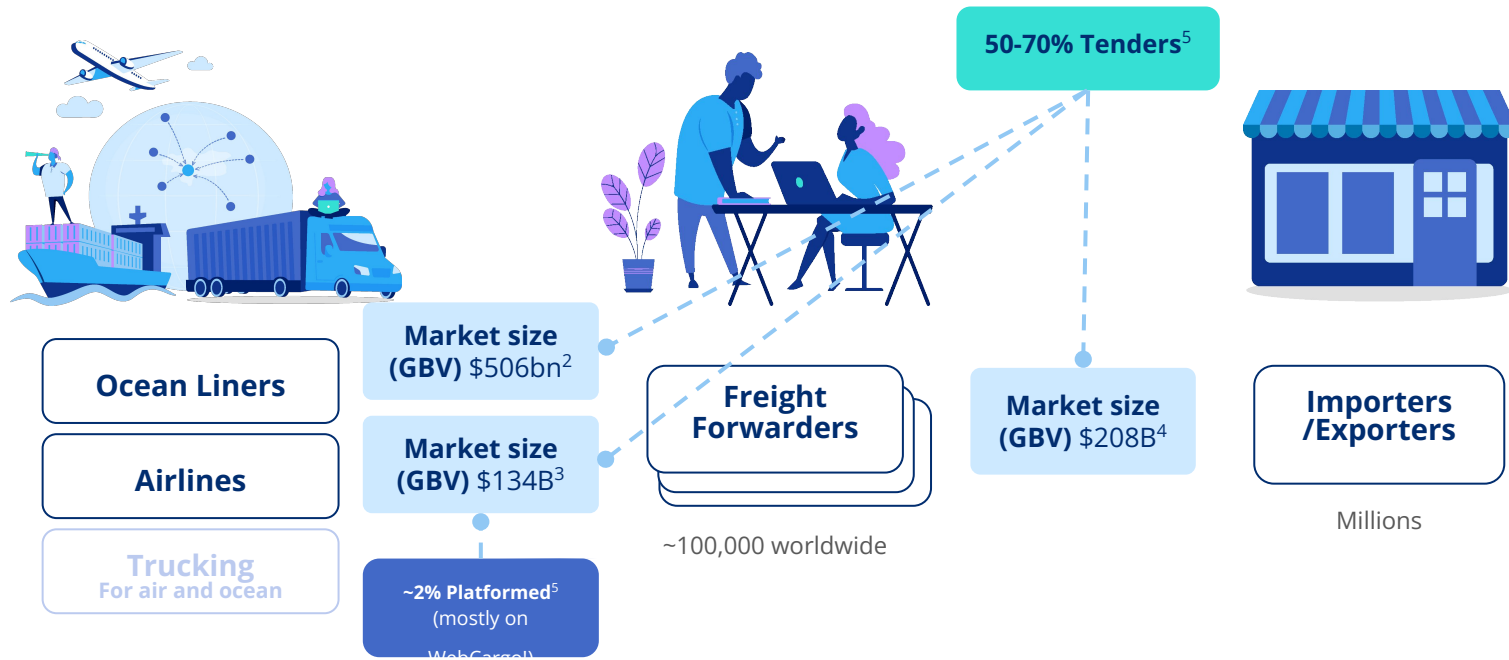


- 4 600 Worldwide users
- +50 Enterprise customers
- 30% Fortune 500 customers

Shipsta's core value propositions



The global logistics market will reach \$1.6T by 2026¹ with global freight playing a key role





 **SHIPSTA**
by Freightos

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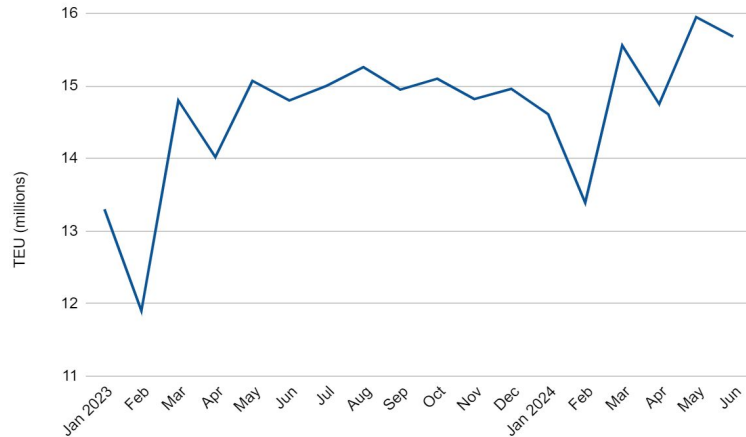
Q&A



Zvi Schreiber
CEO

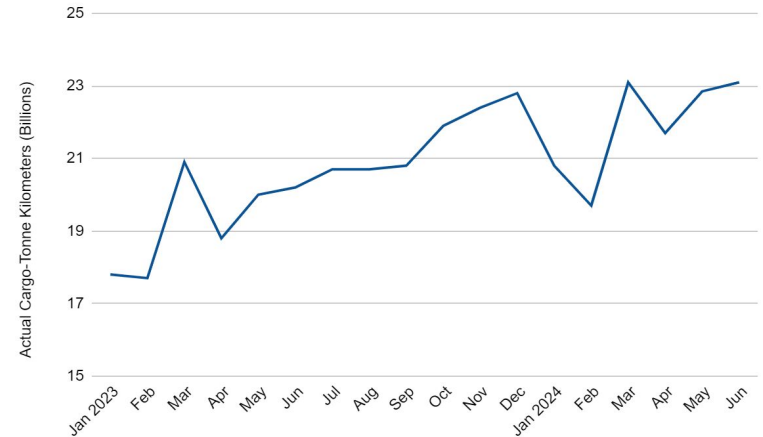
Market Conditions: Freight Volumes

Global Ocean Volumes



Source: Container Trades Statistics

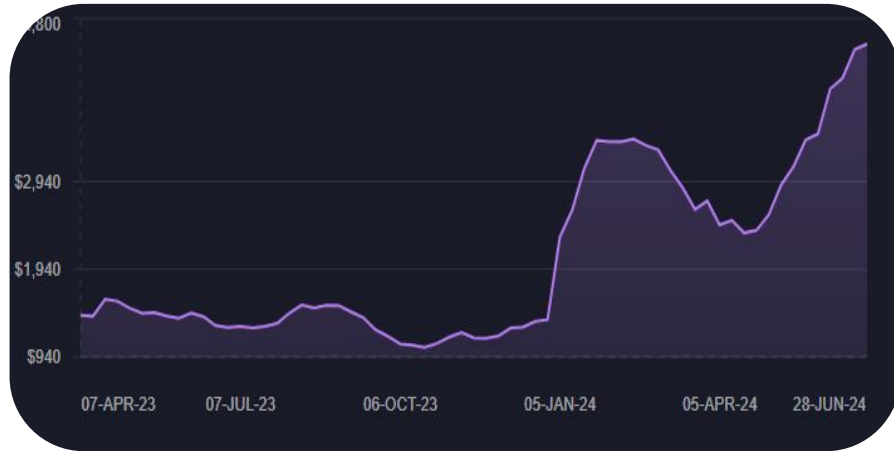
Global Air Cargo Volumes



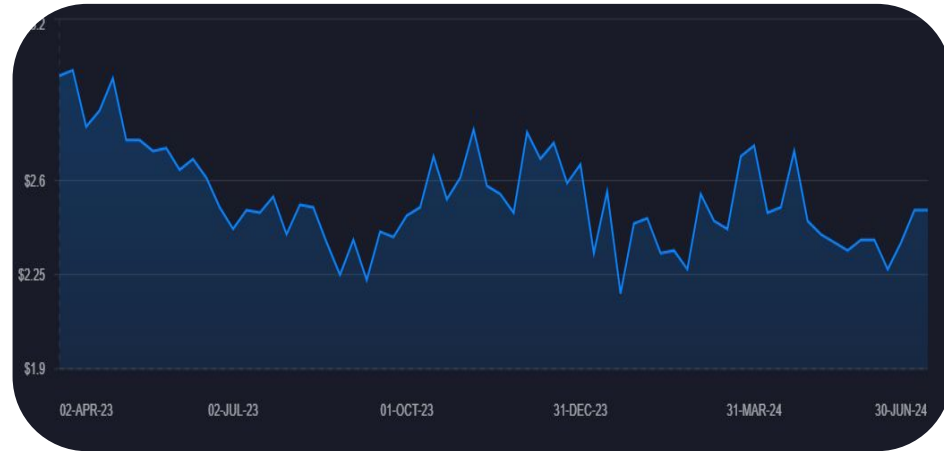
Source: IATA

Market Conditions: Freight Rates

Freightos Baltic Index Global Benchmark



Freightos Air Index Global Benchmark



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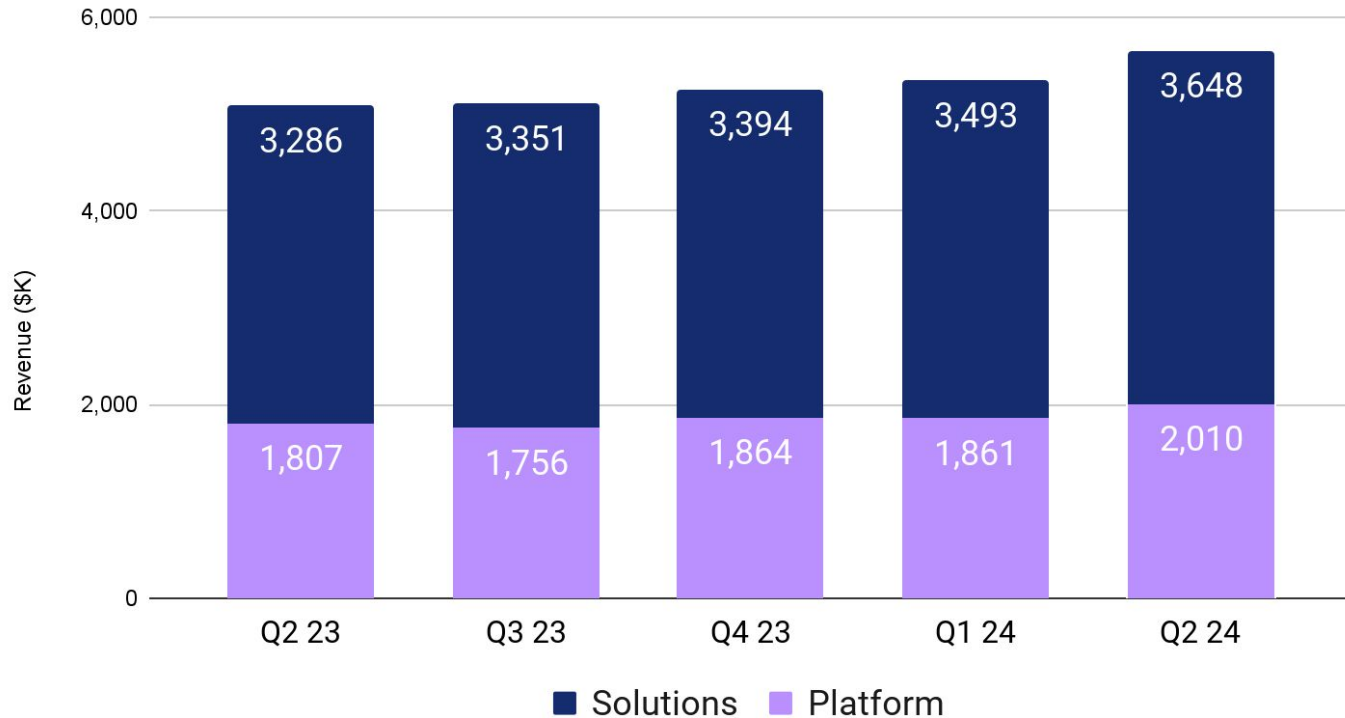
Ran Shalev
CFO

Q&A

Q2 24 Actual vs. Guidance

	Q2 24 A	Q2 24 G
# Transactions	316.5	303.0 - 309.0
GBV (\$m)	203.4	178.0 - 182.0
Revenue (\$m)	\$ 5.7	\$ 5.5 - \$ 5.6
Adjusted EBITDA (\$m)	\$ (3.1)	\$ (3.5) - \$ (3.4)

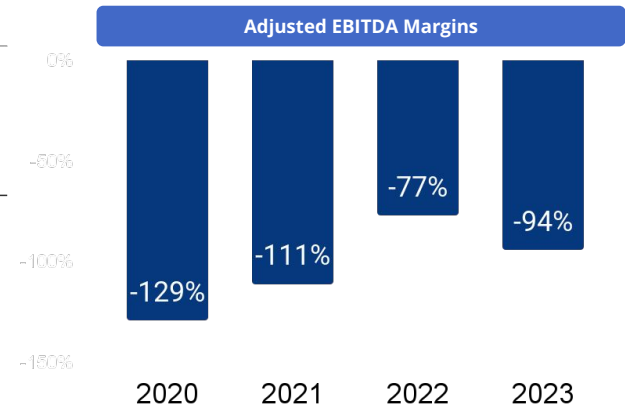
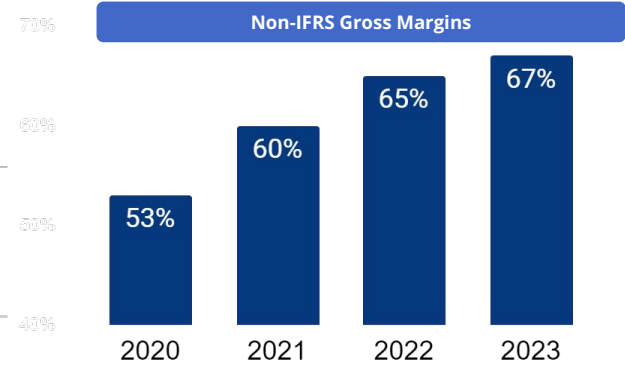
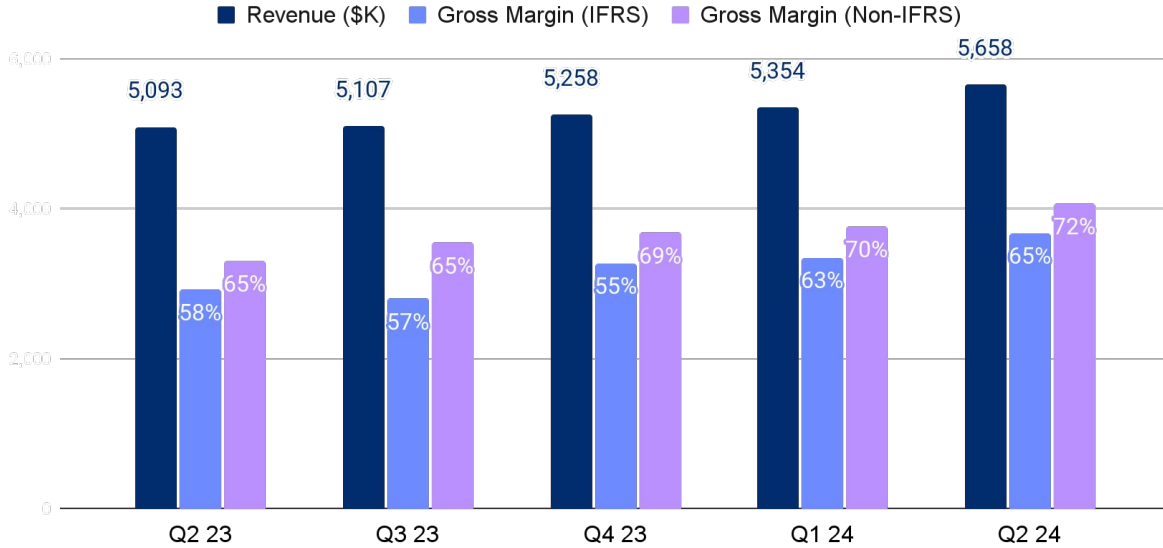
Monetizing the network value: SaaS-enabled marketplace flywheel



Solutions revenue is primarily recurring subscriptions for SaaS or data

Platform revenue = fees associated with specific freight-service transactions booked between Buyers and Sellers on our Platform

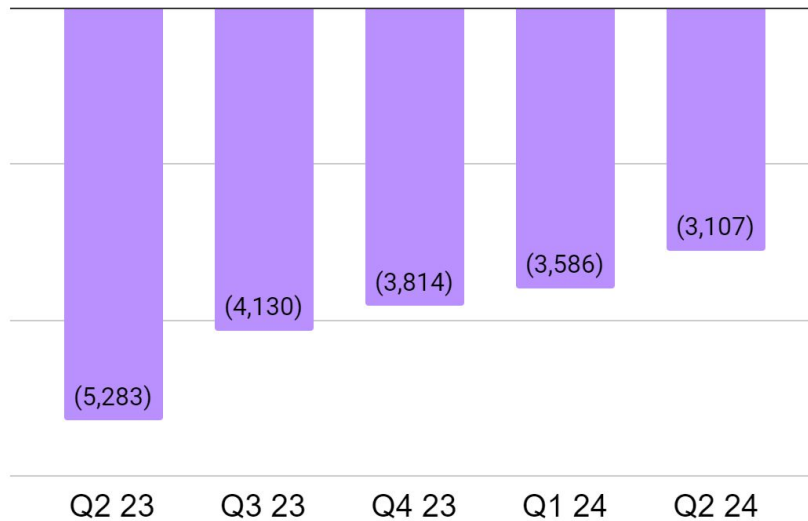
Highly capital-efficient growth



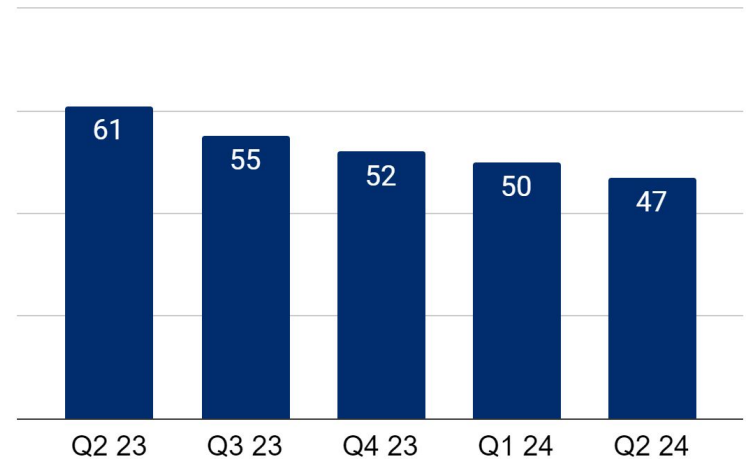
On track to profitability with cash at hand

Acquisition cash consideration of \$4.9M (€4.5M) supports goal of reaching breakeven by end of 2026 with cash on hand

Adjusted EBITDA (\$K)



Cash and Short term bank deposits (\$M)



Q3 & FY 2024 Guidance

	Management Expectations	
	Q3 2024	FY 2024
Transactions	323,500 - 332,500	1,280,000 - 1,300,000
Year over Year Growth	20% - 24%	25% - 27%
GBV (\$m)	\$ 198.0 - \$ 203.5	\$ 804.0 - \$ 816.5
Year over Year Growth	23% - 27%	20% - 22%
Revenue (\$m)	\$ 5.9 - \$ 6.0	\$ 23.4 - \$ 23.7
Year over Year Growth	16% - 18%	15% - 17%
Adjusted EBITDA (\$m)	\$ (3.4) - \$ (3.3)	\$ (13.6) - \$ (13.4)

This outlook assumes freight price levels and freight volumes as of August 1st, 2024, and includes the consolidation of Shipsta as of August 16, 2024

Thanks!

Questions



Reconciliation of IFRS Gross Margin to Non-IFRS

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2024	2023	2024	2023
	(unaudited)		(unaudited)	
IFRS gross profit	\$ 3,674	\$ 2,918	\$ 7,024	\$ 5,728
Add:				
Share-based compensation	89	77	190	159
Depreciation and amortization	312	314	623	556
Non-IFRS gross profit	\$ 4,075	\$ 3,309	\$ 7,837	\$ 6,443
IFRS gross margin	64.9%	57.3%	63.8%	57.8%
Non-IFRS gross margin	72.0%	65.0%	71.2%	65.0%

Reconciliation of IFRS Operating Loss to Adjusted EBITDA

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2024	2023	2024	2023
	(unaudited)		(unaudited)	
Operating loss	\$ (4,564)	\$ (5,906)	\$ (10,048)	\$ (63,866)
Add:				
Share-based compensation	751	546	1,594	1,128
Depreciation and amortization	706	719	1,410	1,362
Share listing expense	-	-	-	46,717
Non-recurring expenses	-	-	-	499
Transaction-related costs	-	-	-	3,703
Changes in the fair value of contingent consideration	-	(642)	-	(642)
Operating expense settled by issuance of shares	-	-	351	-
Adjusted EBITDA	\$ (3,107)	\$ (5,283)	\$ (6,693)	\$ (11,099)
Adjusted EBITDA margins	-55%	-104%	-61%	-112%

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