



Q2 2023 Earnings Call

Nasdaq: CRGO

August 21, 2023 08:30



Upcoming Events

H.C. Wainwright 25th Annual Global Investment Conference

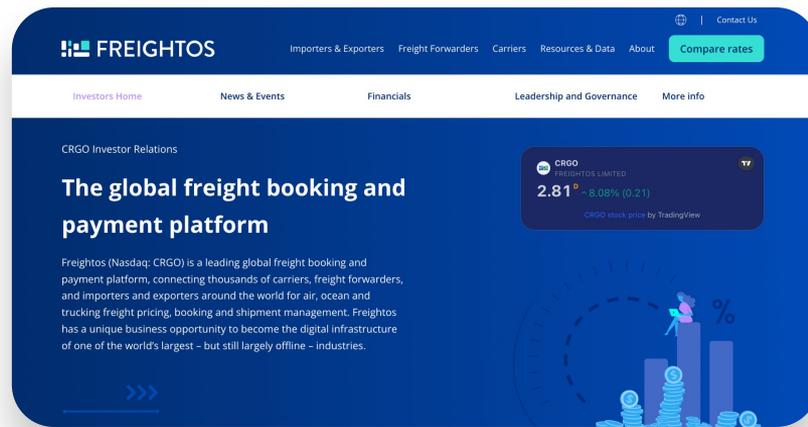
September 11-13, 2023

NYC, USA

Cowen 16th Annual Global Transportation Conference

September 6-7, 2023

Boston, USA



The screenshot shows the Freightos website's investor relations page. The header includes the Freightos logo and navigation links for Importers & Exporters, Freight Forwarders, Carriers, Resources & Data, About, and a Compare rates button. Below the header, there are tabs for Investors Home, News & Events, Financials, Leadership and Governance, and More info. The main content area is titled "CRGO Investor Relations" and features a large heading: "The global freight booking and payment platform". Below this heading is a paragraph describing Freightos as a leading global freight booking and payment platform connecting thousands of carriers, freight forwarders, and importers/exporters. A stock price widget for CRGO (FREIGHTOS LIMITED) shows a price of 2.81 with a change of -8.08% (0.21). The page also includes an illustration of a person climbing a bar chart with a percentage sign, symbolizing growth and data analysis.

Get your complementary limited Freightos Data access

Limited global air and ocean freight data, provided by Freightos Data, is available on a complimentary basis for analysts and investors. Please email ir@freightos.com and mention that you're interested in receiving limited Freightos Data access to learn more. Some of Freightos' data is also available via Bloomberg, FreightWaves Sonar, and the SGX.

Disclaimer

About this Presentation

This presentation does not constitute an offer to sell, a solicitation of an offer to buy, or a recommendation to purchase any security. Please see our SEC filings for the most up to date information. The information contained herein does not purport to be all-inclusive and none of Freightos or its affiliates or representatives makes any representation or warranty, express or implied, as to the accuracy, completeness or reliability of the information contained in this presentation. Viewers of this presentation should make their own evaluation of Freightos and of the relevance and accuracy of the information contained herein and should make such other investigations as they deem necessary. This presentation does not constitute an offer to sell, a solicitation of an offer to buy, or a recommendation to purchase any security of Freightos, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. You should not construe the contents of this presentation as legal, tax, accounting or investment advice or a recommendation. You should consult your own counsel and tax and financial advisors as to legal and related matters concerning the matters described herein, and, by viewing this presentation, you confirm that you are not relying upon the information contained herein to make any investment decision.

Financial Information; Non-IFRS (Non-GAAP) Financial Measures

While certain financial figures included in this presentation have been computed in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board, this presentation does not contain sufficient information to constitute an interim financial report as defined in International Accounting Standards 34, “Interim Financial Reporting” nor a financial statement as defined by International Accounting Standards 1 “Presentation of Financial Statements”. Not all of the financial information in this presentation has been audited.

In addition, this presentation includes revenue on a constant currency basis, a measure not presented in accordance with IFRS and, this presentation includes certain financial measures not presented in accordance with generally accepted accounting principles (“IFRS”) including, but not limited to, Adjusted EBITDA. Therefore, these measures should not be considered in isolation or as an alternative to revenue, net income, cash flows from operations or other measures of profitability, liquidity or performance under IFRS. You should be aware that the presentation of these measures may not be comparable to similarly-titled measures used by other companies. Freightos believes that revenue on a constant currency basis, EBITDA and other non-IFRS measures provide useful information to investors and others in understanding and evaluating Freightos’ operating results because they provide supplemental measures of our core operating performance and offers consistency and comparability with both past financial performance and with financial information of peer companies. Certain monetary amounts, percentages and other figures included in this press release have been subject to rounding adjustments. Certain other amounts that appear in this presentation may not sum due to rounding.

Forward-Looking Statements

This presentation includes “forward-looking statements” within the meaning of the “safe harbor” provisions of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words such as “estimate,” “plan,” “project,” “forecast,” “intend,” “will,” “expect,” “anticipate,” “believe,” “seek,” “target” or other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. These statements are based on various assumptions, whether or not identified in this press release, and on the current expectations of Freightos’ and are not predictions of actual performance. These forward-looking statements are provided for illustrative purposes only and are not intended to serve as, and must not be relied on by any investor as, a guarantee, an assurance, a prediction or a definitive statement of fact or probability. Actual events and circumstances are difficult or impossible to predict and will differ from assumptions. Many actual events and circumstances are beyond the control of Freightos. These forward-looking statements are subject to a number of risks and uncertainties, including competition and the ability of Freightos to build and maintain relationships with carriers, freight forwarders and importers/exporters and retain its management and key employees; changes in applicable laws or regulations; any downturn or volatility in economic conditions whether related to inflation, armed conflict or otherwise; the effects of COVID-19 or other pandemics or epidemics; changes in the competitive environment affecting Freightos or its users, including Freightos’ inability to introduce new products or technologies; risks to Freightos’ ability to protect its intellectual property and avoid infringement by others, or claims of infringement against Freightos; the possibility that Freightos may be adversely affected by other economic, business and/or competitive factors; risks related to the fact that Freightos is incorporated in the Cayman Islands and governed by the laws of the Cayman Islands; and those factors discussed in Freightos’ annual report on Form 20-F filed with the SEC on March 30, 2023, under the heading “Risk Factors,” and any other risk factors Freightos includes in any subsequent reports on Form 6-K furnished to the SEC. If any of these risks materialize or our assumptions prove incorrect, actual results could differ materially from the results implied by these forward-looking statements. There may be additional risks that Freightos does not presently know or that Freightos currently believes are immaterial that could also cause actual results to differ from those contained in the forward-looking statements. In addition, forward-looking statements reflect Freightos’ expectations, plans or forecasts of future events and views as of the date of this press release. Freightos anticipates that subsequent events and developments will cause Freightos’ assessments to change. However, while Freightos may elect to update these forward-looking statements at some point in the future, Freightos specifically disclaims any obligation to do so. These forward-looking statements should not be relied upon as representing Freightos’ assessments as of any date subsequent to the date of this press release. Accordingly, undue reliance should not be placed upon the forward-looking statements.

Agenda

Prepared Remarks

- Q2 Overview
- Freight Market Update
- Financial Results
- Q3 Guidance

Q&A



Zvi Schreiber
CEO



Ran Shalev
Chief Financial Officer

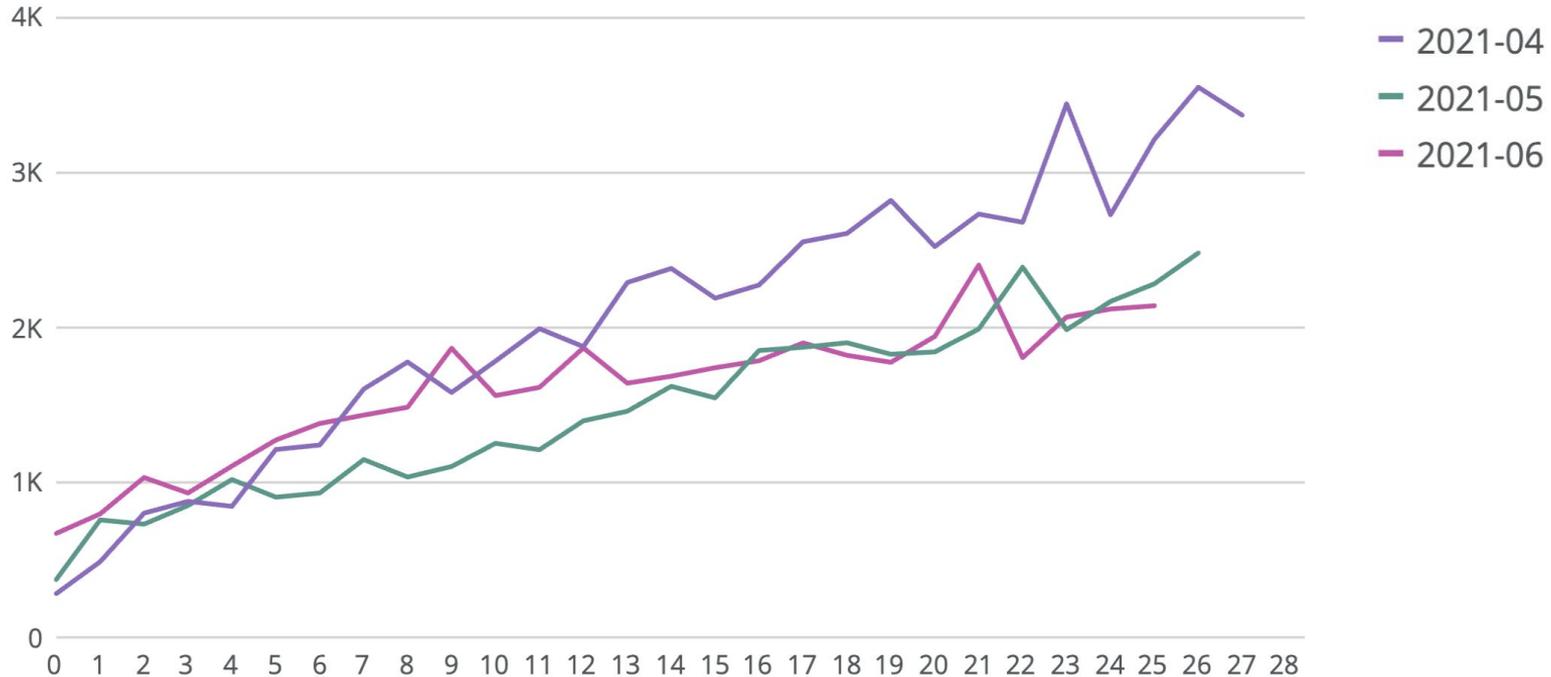
Transaction Growth on Freightos Platform

Q1 2020 - Q2 2023



User Retention

Total Bookings by Cohort (WebCargo, New Users from Q2 2021)



Interlining

WEB CARGO by Freightos

New search My bookings

Booking Record

Company: Enter company name
AWB: Enter AWB number
User: All
Destination: Enter destination
Booking date: Select date

All Pending Confirmed Canceled Freightos Wallet payments

Wallet balance: €30,320.10
Monthly expenses: €11,320.20
Last transaction: -€1,450.60

Company	AWB	Total deducted	Booking date	Flight date	Weight	
Qatar Airways	157-5555555555	€3,280.00	PVG > JFK	11/12/2021	16/12/2021	166
Qatar Airways	157-5555555555	€750.30	PVG > JFK	11/12/2021	16/12/2021	166
IAG	157-5555555555	€2,305.25	BCN > FRA	12/2021	14/12/2021	166
IAG	157-5555555555	€1,022.05	BCN > FRA	11/12/2021	14/12/2021	166

SAMPLE DATA

Las Vegas, Nevada, USA → Istanbul, Turkey

Departure date: March 14, 2022

Goods type: 9999 - General Cargo

Load: 10 units

Total Shipment: 10.1 CBM, 6 KG

Rate/Kg

Airline Service Itinerary

Showing the 12 lowest rates

12/03/2022 13/03/2022 14/03/2022 15/03/2022 16/03/2022

LAS → MAD → IST	Fri 11 Sep 01:30	Mon 01 Feb 17:45	11h 15m	14.005
LAS → JFK → MAD → IST	Fri 11 Sep 01:30	Mon 01 Feb 17:45	11h 15m	14.005
LAS → JFK → MAD → IST → DBX	Fri 11 Sep 01:30	Mon 01 Feb 17:45	11h 15m	14.005
LAS → JFK → MAD → IST → DOH +1	Fri 11 Sep 01:30	Mon 01 Feb 17:45	11h 15m	14.005
LAS → JFK → MAD → IST	Fri 11 Sep 01:30	Mon 01 Feb 17:45	11h 15m	14.005

Service: Express

Asia - US Ocean Freight

FBX01 Southeast Asia - US West Coast and FBX03 Southeast Asia - US East Coast



Asia - Northern Europe Ocean Freight

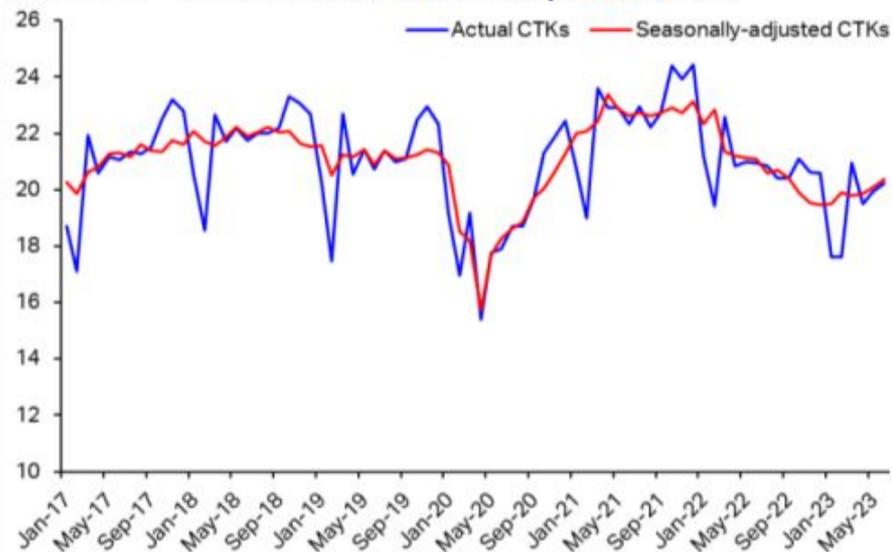
FBX11 China/East Asia to North Europe



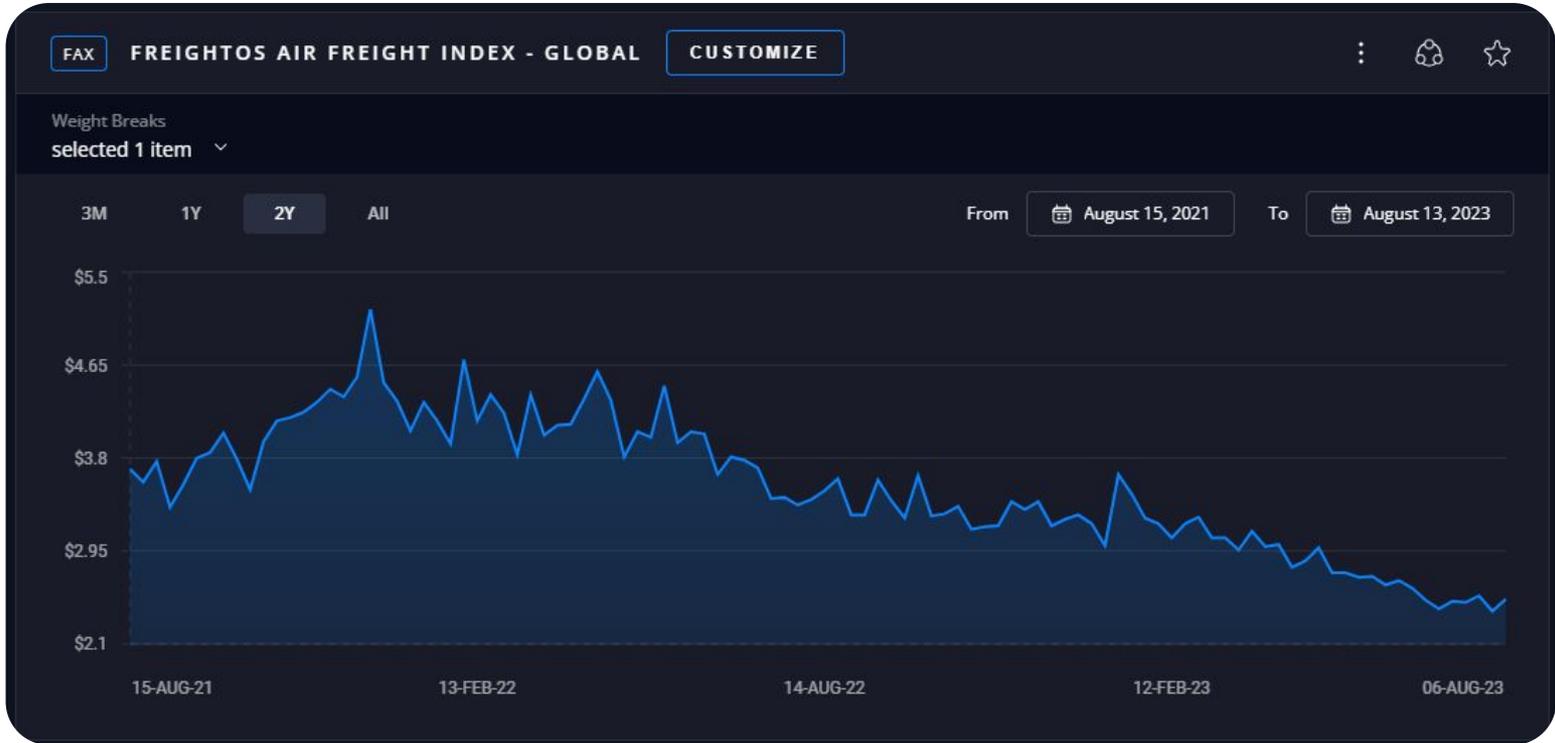
Air Cargo Demand

Global Industry CTKs (billions per month)

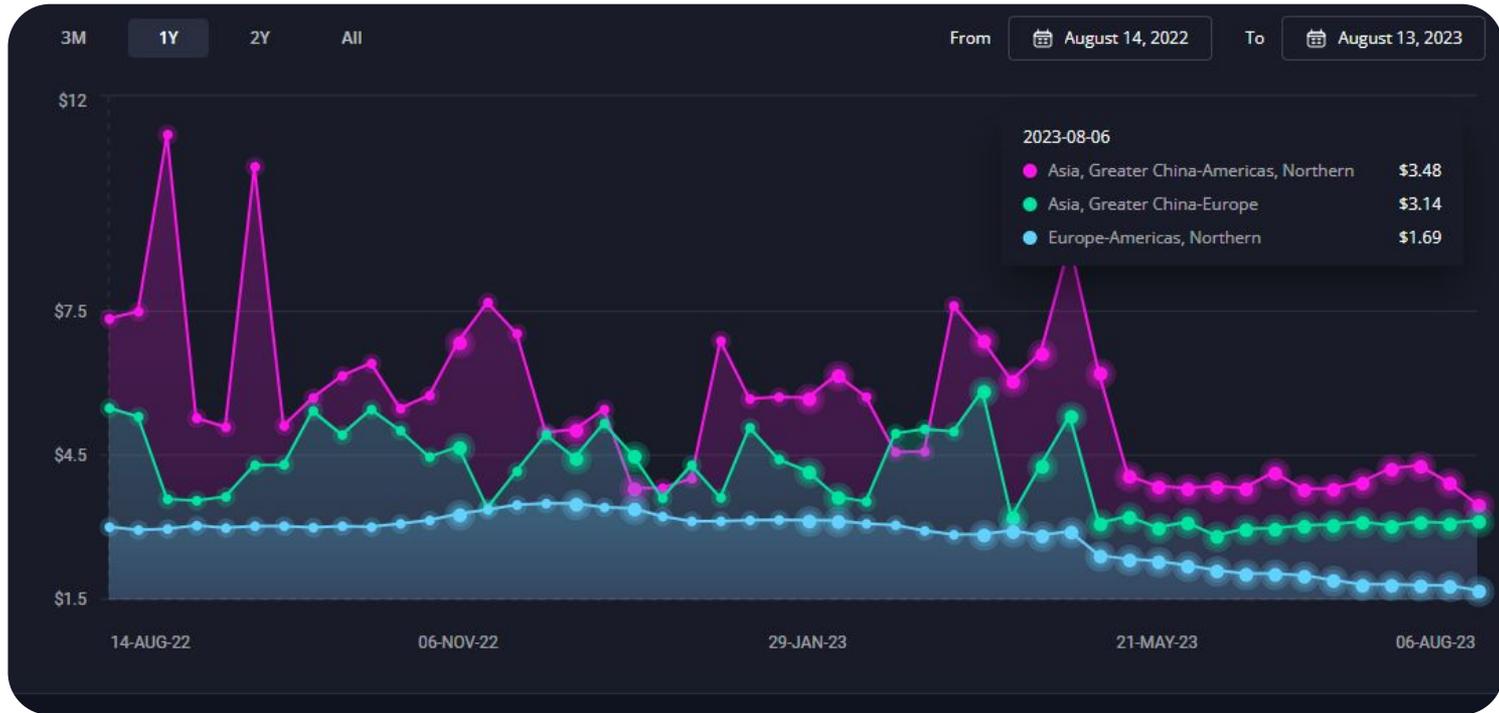
Chart 1 – Global CTKs (billions per month)



Sources: IATA Sustainability and Economics, IATA Monthly Statistics



Freightos Air Index



Platform businesses unlock massive value.

It's time to apply the model to global freight.

Siloed Digitalization ⇨

Individual company digitalization without connectivity (eg individual ecommerce sites)

B2C

1995-2010 (eg CD Baby)



Domestic B2B

2010-2020 (eg Dell)



Global B2B

2020 - Now (eg K+N, Flexport)



Platformification

Vendor-neutral digital infrastructure across a variety of players, unlocking huge value

Booking.com



UBER 

 Magento
An Adobe Company

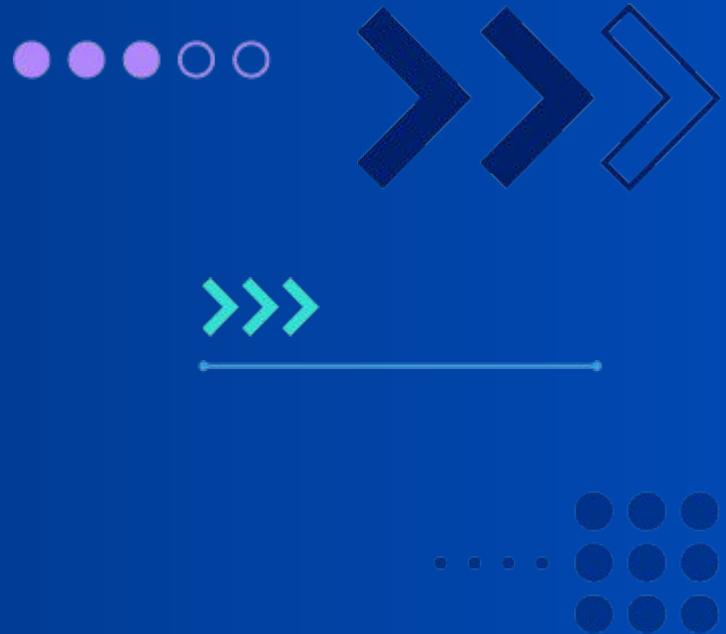
amazon business

SAP Ariba



Q2 2023 Quarterly Results and Guidance

Ran Shalev
CFO



Q2 2023 Results

	Q2 2023	Q2 2022
# Transactions	239.4	150.2
GBV (\$m)	\$ 154.8	\$ 155.3
Revenue (\$m)	\$ 5.1	\$5.2
Gross Margin (Non-IFRS)	65%	65%
Adjusted EBITDA (\$m)	\$ (5.3)	\$ (3.6)

See the full Q2 2023 Earnings press release for the reconciliation of IFRS to non-IFRS financial measures.

Q3 2023 Guidance

	Management Expectations as of Aug. 2023	
	Q3 2023	FY 2023
# Transactions	243,500 - 259,500	973,000 - 1,042,000
Year over Year Growth	27% - 35%	46% - 57%
GBV (\$m)	\$ 146.5 - \$ 156.5	\$ 626.2 - \$ 666.6
Year over Year Growth	(8)% - (2)%	3% - 9%
Revenue (\$m)	\$ 5.0 - \$ 5.3	\$ 20.0 - \$ 21.2
Year over Year Growth	5% - 13%	5% - 11%
Adjusted EBITDA (\$m)	\$ (5.1) - \$ (4.5)	\$ (21.5) - \$ (19.8)

Q&A



Thanks!

Learn more at
freightos.com/investors



 FREIGHTOS

RECONCILIATION OF IFRS OPERATING LOSS TO ADJUSTED EBITDA

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2023	2022	2023	2022
	(unaudited)		(unaudited)	
Operating loss	\$ (5,906)	\$ (5,867)	\$ (63,866)	\$ (10,049)
Add:				
Share-based compensation	546	374	1,128	732
Depreciation & Amortization	719	608	1,362	1,129
Share listing expense	-	-	46,717	-
Non-recurring expenses	-	-	499	-
Redomicile costs	-	516	-	516
Transaction-related costs	-	812	3,703	812
Changes in the fair value of contingent consideration	(642)	-	(642)	-
Adjusted EBITDA	\$ (5,283)	\$ (3,557)	\$ (11,099)	\$ (6,860)
Adjusted EBITDA margins	-104%	-69%	-112%	-72%