



Q3 2024 Earnings Call

Nasdaq: CRGO

November 25, 2024 08:30



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A.G.P.'s Transportation & Electric Vehicles Conference

December 10, 2024

Virtual

Needham Growth Conference

January 16, 2025

Virtual

Agenda

Prepared Remarks

- Business Overview
- Financial Results
- Q4 Guidance

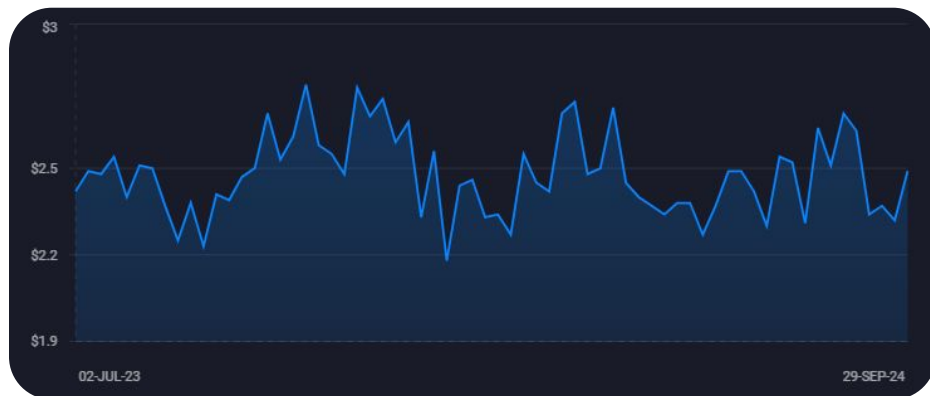
Q&A



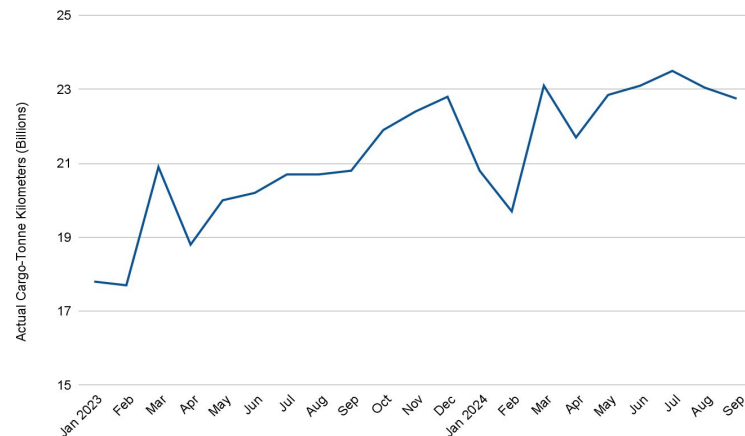
Zvi Schreiber
CEO

Market conditions have been a tailwind

Freightos Air Index Global Benchmark

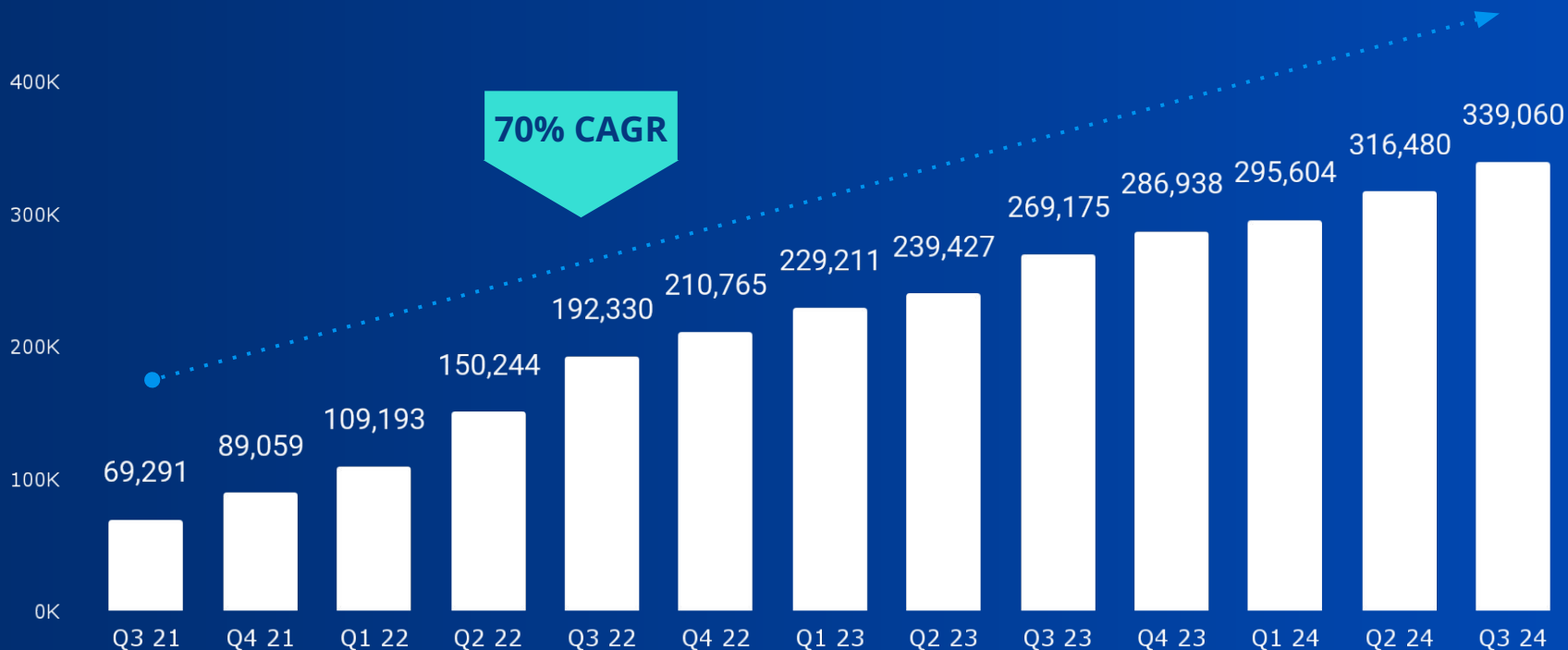


Global Air Cargo Volumes

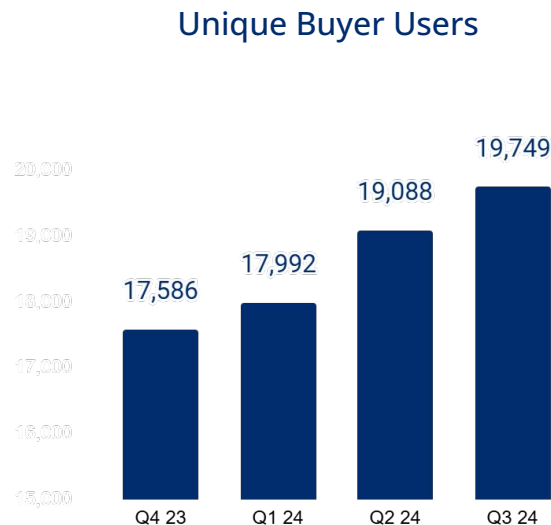
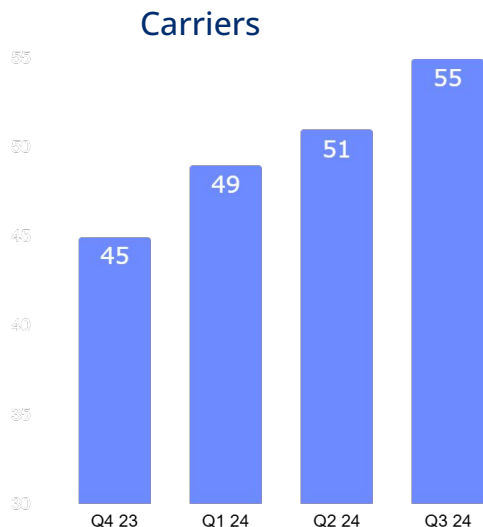


Source: IATA

Strong consistent transactions growth reflects marketplace network effect



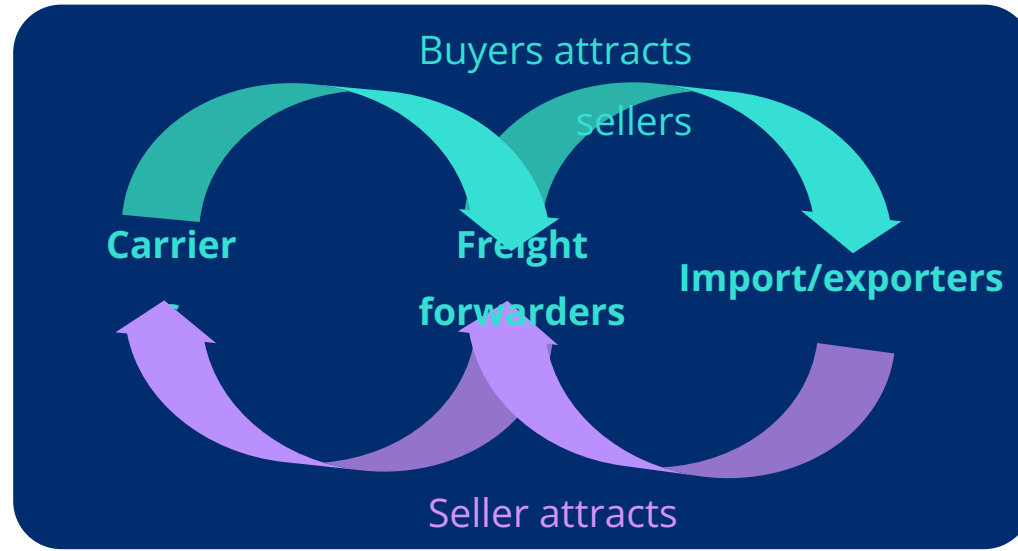
Marketplace buyers and sellers



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.

Strong sustainable growth through the network effects of a double marketplace flywheel



Amplified by...


More types of transactions
eg LTL, Temp. controlled


More combinations of buyer/seller
eg forwarder delegation


More connectivity to data / system
eg Dynamic pricing for airlines, TMS


More aspects of transactions
eg LTL, Temp. controlled

Freightos really just had the whole suite of things that we were looking for with e-booking on the end [and] quoting on the front...
Really great technology.



Megan Kelley
VP Enterprise Applications
Crane Worldwide Logistics

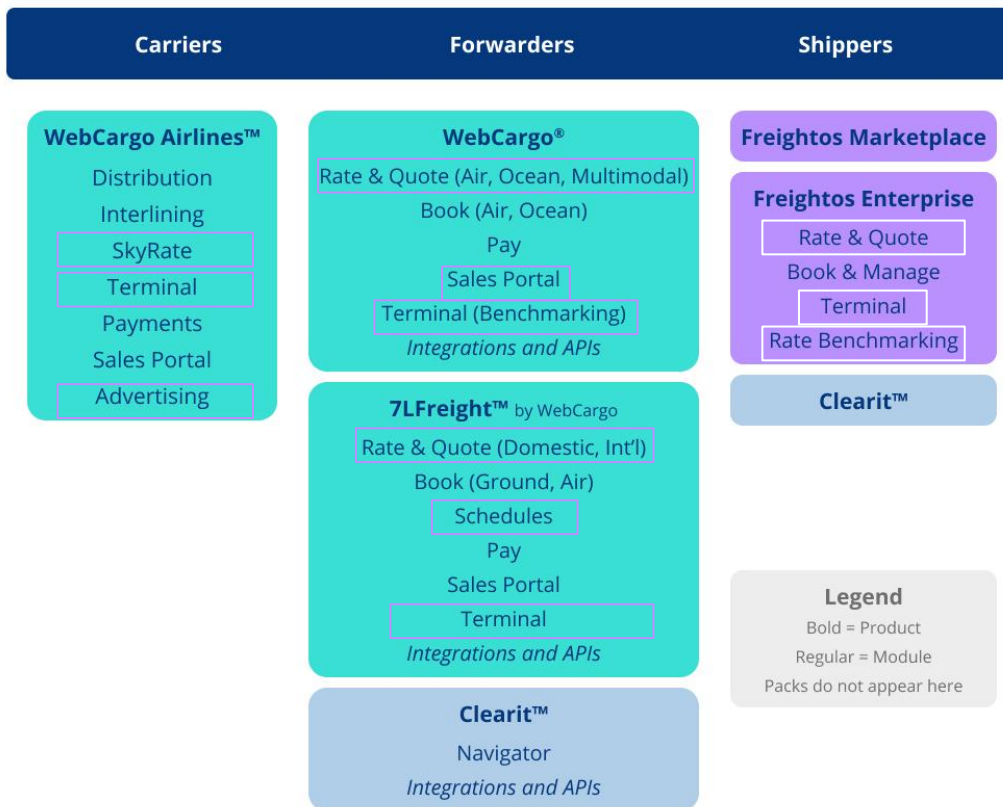


Integrated with
e2open

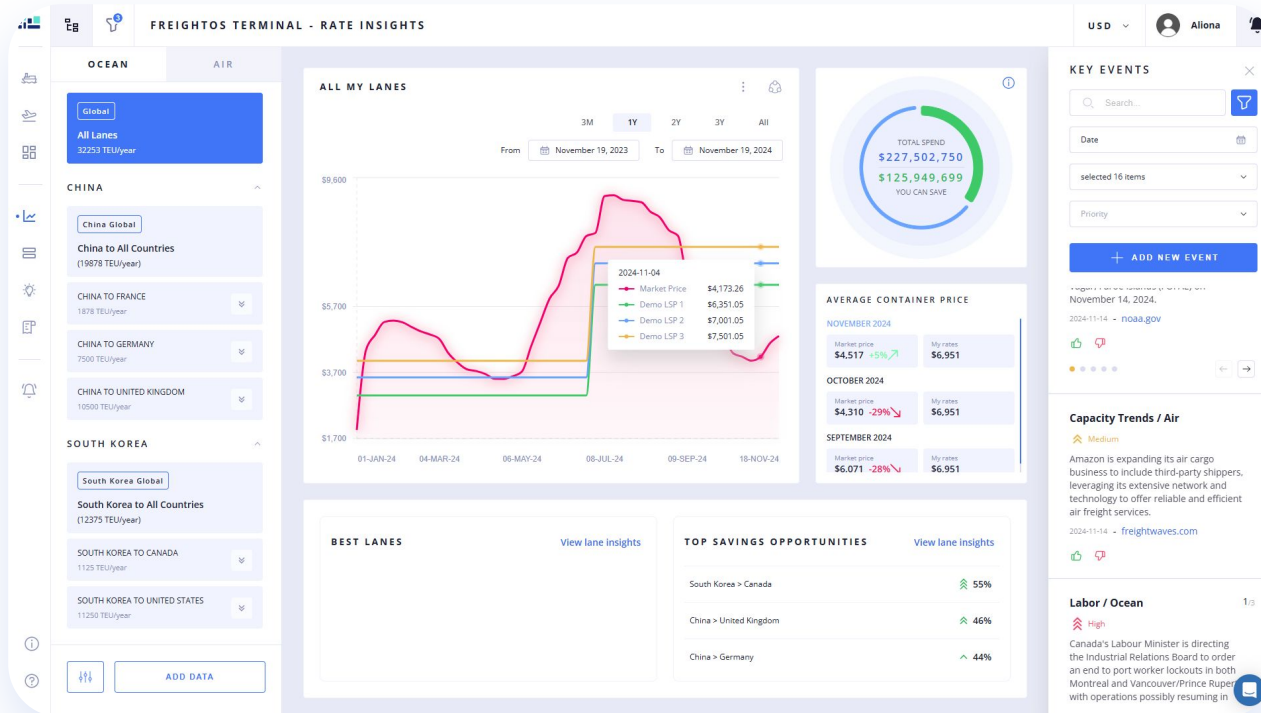
Continuously enhancing our offering



Freightos Global Freight Booking and Payment Platform

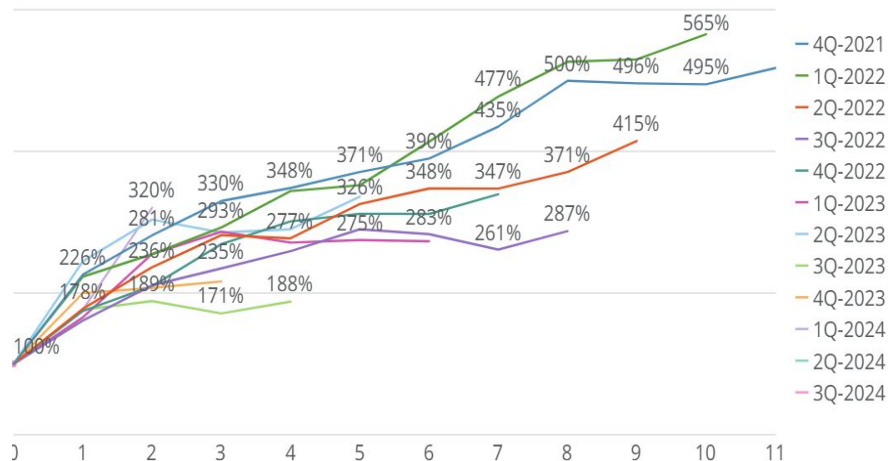


Expanding our Benchmarking Offering

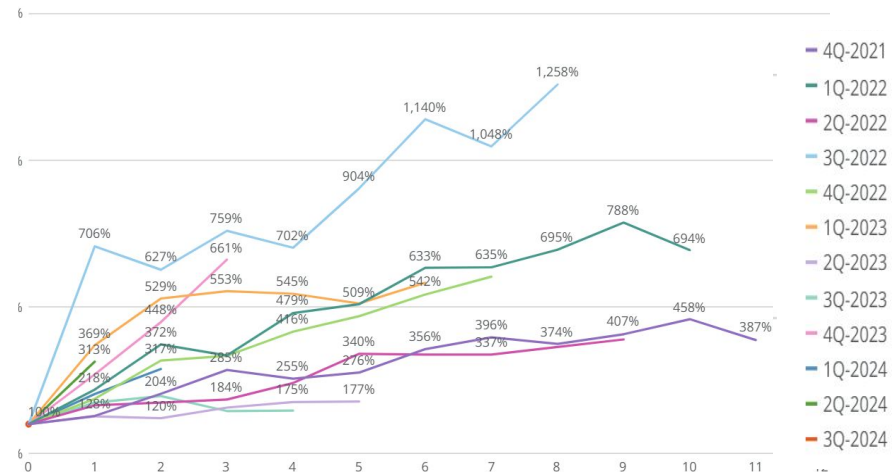


Strong cohort performance by both buyers and sellers

Total #Transactions of forwarder cohort as % of bookings placed in first quarter



Total #Transactions of carrier cohort as % of bookings placed in first quarter



Agenda

Prepared Remarks

- Business Overview
- Financial Results
- Q4 Guidance



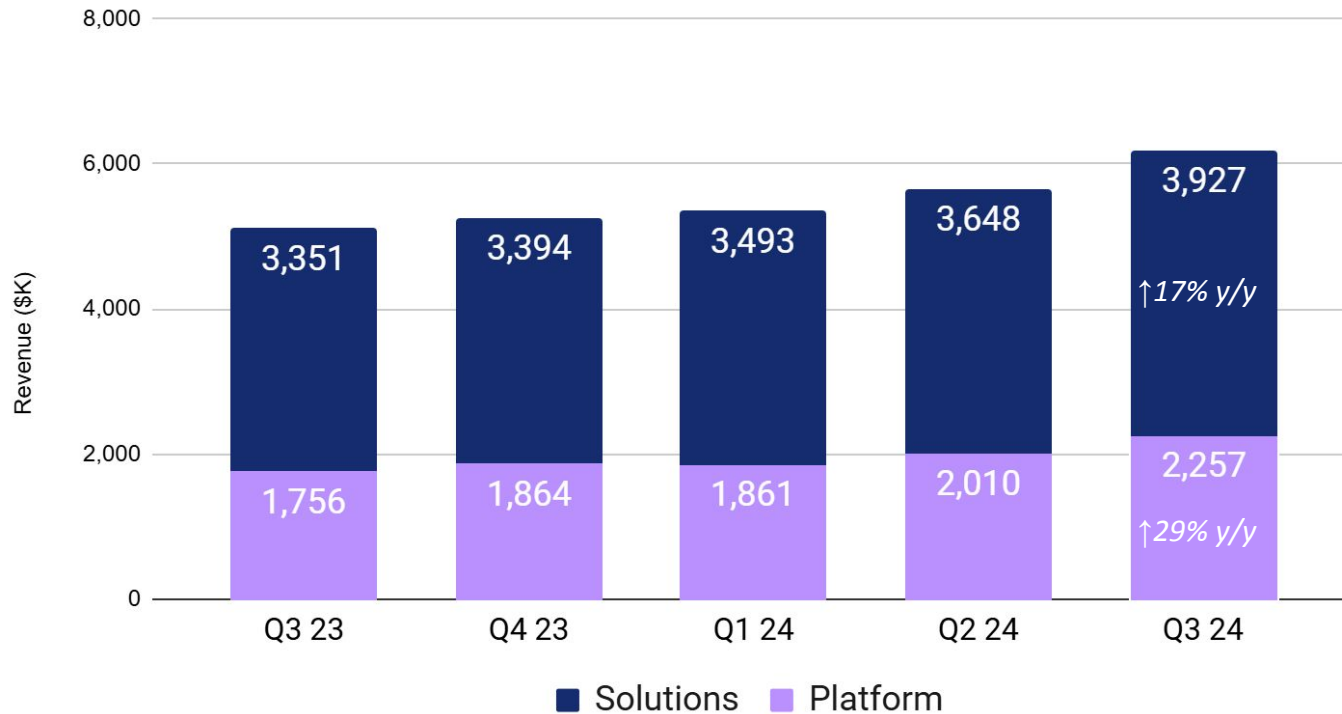
Ran Shalev
CFO

Q&A

Q3 24 Actual vs. Guidance

	Q3 24 A	Q3 24 G
# Transactions	339.1	323.5 - 332.5
GBV (\$m)	217.5	198.0 - 203.5
Revenue (\$m)	6.2	5.9 - 6.0
Adjusted EBITDA (\$m)	(2.8)	(3.4) - (3.3)

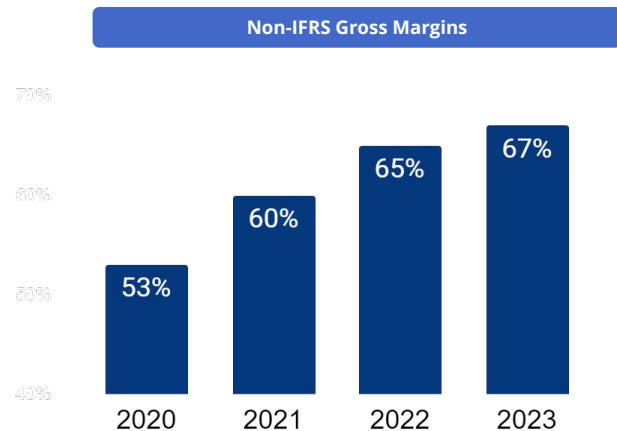
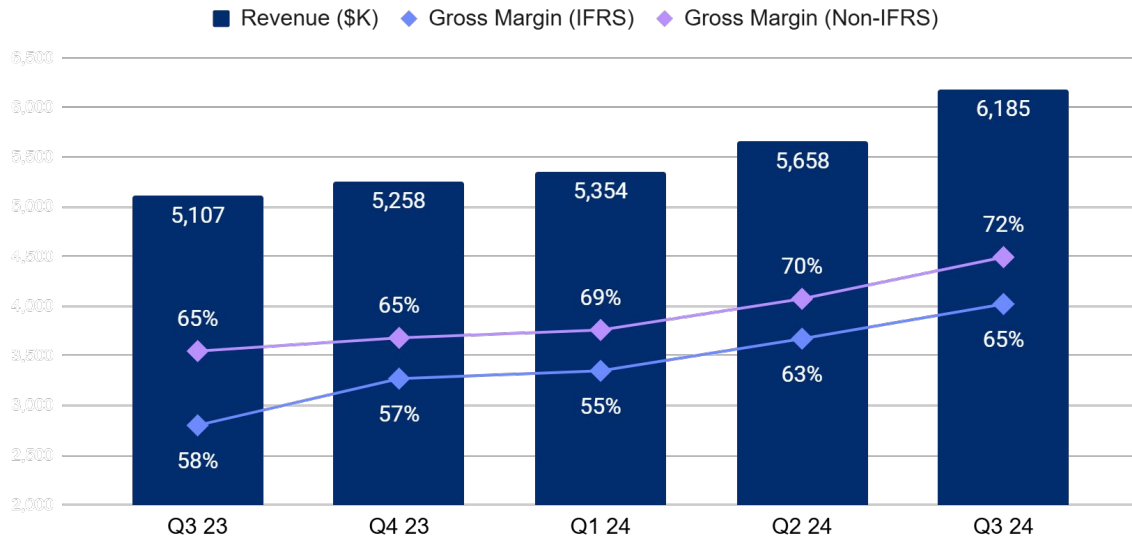
Monetizing the network value: SaaS-enabled marketplace flywheel



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

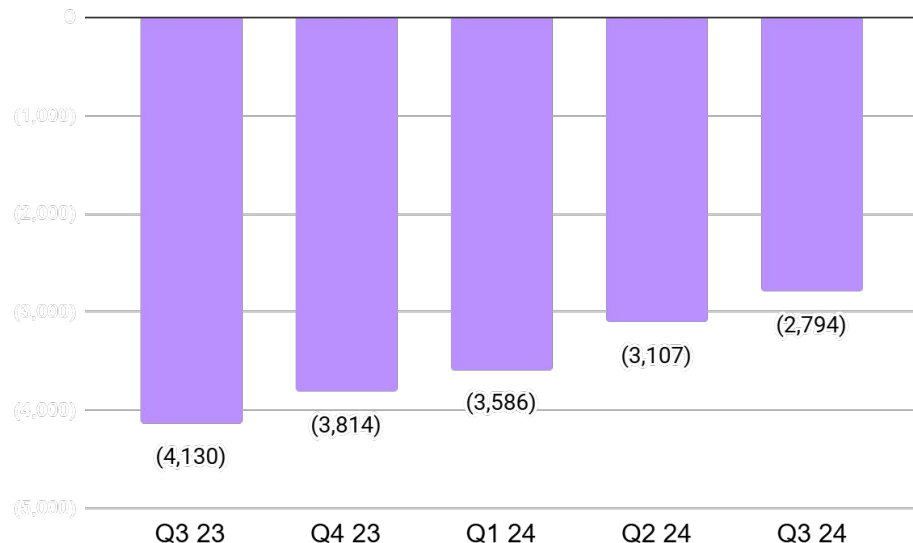
Highly capital-efficient growth



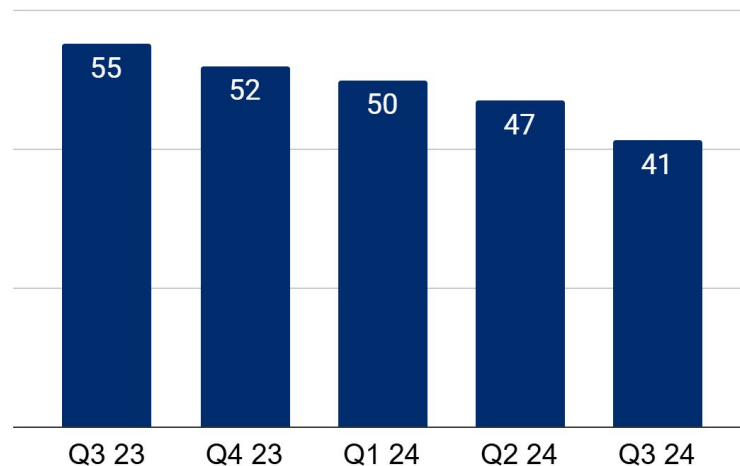
On track to profitability with cash at hand

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)



Q4 & FY 2024 Guidance

	Management Expectations	
	Q4 2024	FY 2024
Transactions	338.5 - 348.5	1,289.5 - 1,300.0
Year over Year Growth	18% - 21%	26% - 27%
GBV (m)	\$ 257.0 - \$ 265.0	\$ 870.5 - \$ 878.5
Year over Year Growth	37% - 41%	30% - 31%
Revenue (m)	\$ 6.4 - \$ 6.5	\$ 23.6 - \$ 23.7
Year over Year Growth	21% - 24%	16% - 17%
Adjusted EBITDA (m)	\$ (3.2) - \$ (3.1)	\$ (12.7) - \$ (12.6)

This outlook assumes freight price levels and freight volumes as of November 15, 2024

Thanks!

Questions



Reconciliation of IFRS Gross Margin to Non-IFRS

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2024	2023	2024	2023
	(unaudited)		(unaudited)	
IFRS gross profit	\$ 4,023	\$ 2,802	\$ 11,047	\$ 8,530
Add:				
Share-based compensation	123	432	313	591
Depreciation and amortization	349	315	972	871
Non-IFRS gross profit	\$ 4,495	\$ 3,549	\$ 12,332	\$ 9,992
IFRS gross margin	65.0%	54.9%	64.2%	56.8%
Non-IFRS gross margin	72.7%	69.5%	71.7%	66.5%

Reconciliation of IFRS Operating Loss to Adjusted EBITDA

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2024	2023	2024	2023
	(unaudited)		(unaudited)	
Operating loss	\$ (4,862)	\$ (9,292)	\$ (14,910)	\$ (73,158)
Add:				
Share-based compensation	982	3,375	2,576	4,503
Depreciation and amortization	803	719	2,213	2,081
Share listing expense	-	-	-	46,717
Non-recurring expenses	-	-	-	499
Transaction-related costs	-	-	-	3,703
Changes in the fair value of contingent consideration	-	-	-	(642)
Acquisition-related costs	283	-	283	-
Reorganization	-	884	-	884
Operating expense settled by issuance of shares	-	184	351	184
Adjusted EBITDA	\$ (2,794)	\$ (4,130)	\$ (9,487)	\$ (15,229)
Adjusted EBITDA margins	-45%	-81%	-55%	-101%

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freightos.com/investors

