

# Annual Report 2024



End-to-end  
connectivity across  
global supply chains

This Annual Report is dated 27 June 2024 and is signed on behalf of the Board of Directors of Trade Window Holdings Limited by Alasdair MacLeod, Chair, and AJ Smith, Chief Executive Officer.



**Alasdair MacLeod** Chair



**AJ Smith** Chief Executive Officer

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# About Trade Window

## Built to super-connect global trade

<p><b>Our vision</b></p> <p>End-to-end connectivity across global supply chains</p>	<p><b>Our mission</b></p> <p>To make global supply chains more productive, connected and visible</p>
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## What we do

Traditional trade processes are complex, time-consuming, expensive and prone to human error.

TradeWindow provides the tools and support for exporters, importers, freight forwarders, and customs brokers to move away from inefficient trade processes and begin the journey to digital transformation, streamlining business processes and driving profitability.

Visit [www.tradewindow.io](http://www.tradewindow.io) for more information

## FY24 at a glance

TradeWindow's strong FY24 growth reflects increasing demand for our digital trade solutions. Exporters, importers and freight forwarders are seeing the benefits of moving from manual processes to digital trade and are selecting TradeWindow solutions to be more efficient, connected and transparent.

<p><b>\$6.2m</b></p> <p>Trading revenue</p>	<p><b>\$6.8m</b></p> <p>Total income</p>	<p><b>\$6.6m</b></p> <p>EBITDA loss</p>	<p><b>93%</b></p> <p>Customer retention</p>
<p><b>\$6.3m</b></p> <p>Annual recurring revenue</p>	<p><b>+26%</b></p> <p>Trading revenue growth</p>	<p><b>\$8.0m</b></p> <p>Net loss after tax</p>	<p><b>\$0.2m</b></p> <p>Cash and cash equivalents</p>

# Chair & CEO letter

## Dear Shareholders

Against a backdrop of challenging economic and capital market conditions, TradeWindow has delivered an outstanding result for shareholders.

We have continued to grow at a rate ahead of most Australasian software companies<sup>1</sup>. We have strengthened our presence in the New Zealand export sector. We have extended our penetration into Australia - a market that is more than seven times<sup>2</sup> the size of New Zealand's and one that offers enormous promise.

We have also set TradeWindow on a path to breakeven and long-term sustainability and established deep reserves of resilience that will position us to thrive as the winds of the economy return to our favour.

These achievements are a testament to both the commitment and talent of the team and the value TradeWindow solutions offer to global shippers. They also reflect diligent execution of our strategy, careful management of risks and our capital, and effective demonstration of the value of TradeWindow's solutions.

## Financial Update<sup>3</sup>

Trading revenue was \$6.2 million, up 26% from the \$4.9 million achieved in the prior year reflecting solid organic growth. This result followed from increased sales across all core product lines.

Total customer numbers grew to 513 from 498<sup>4</sup> a year earlier, with around 50% of our customers now based in Australia. The rate of growth was diluted by industry consolidation in the freight forwarding sector, but TradeWindow overcame these pressures by replacing lost

smaller customers with larger customers who take more of the company's services. Customer retention was steady over the year at 93%.

The silver lining of the current environment of subdued consumer demand, rising costs and high interest rates, is that it is highly conducive to demonstrating the productivity benefits TradeWindow solutions offer.

Monthly Average Revenue Per Customer (ARPC) was up 32% to \$1,707 for exporters, and up 17% to \$638 for freight forwarders. This improvement reflected customers using more of our services as well as the benefits of price increases as we passed on our higher costs to customers.

ARR<sup>5</sup> was up 21% to \$6.3 million from \$5.2 million a year earlier. This figure does not include several large customers recruited before the end of the financial year and are in the process of being onboarded. Total income, which includes grants and other income, was \$6.8 million, up 18% from \$5.7 million.

Total operating expenses were down 23% to \$13.4 million, from \$17.4 million, with the fall reflecting a 58% reduction in staff numbers since the start of the financial year as we shifted our focus to putting the company on a sustainable financial footing rather than longer-term innovation and development projects.

We meanwhile lifted gross margins by 8 percentage points on the prior year to 54% as we have focused on improving cash generation by driving a reduction in the average sales cycle and maximising the sales opportunity of our existing customers.

Our EBITDA<sup>6</sup> loss for the year was \$6.6 million, down 43% from \$11.7 million, and the net loss after tax reduced to \$8.0 million from \$9.8 million.

Monthly average cash consumption reduced from \$1 million in FY23 to \$0.7 million in 1H FY24 and \$0.3 million in 2H FY24. In line with guidance given during the capital raising, we expect this trend to continue in the new financial year as the significant cost savings and large new customer acquisitions flow through to our financial results.

## Customers and Growth

Our growth strategy is now most focused on increasing usage among existing customers and attracting new ones. Product innovation continues to play an important role, but we now operate a self-sustaining model of iterative product development which is directed at meeting our customers' most acute needs. We have meanwhile offshored much development work to our Philippine team to manage costs.

With more than half of New Zealand's primary industry export volume being facilitated by TradeWindow software, our strongest prospects for new customer recruitment are now in Australia.

In the coming year we expect the Origin service, launched in Australia at the end of 2023, will play a key role in boosting revenue growth and bringing on new customers to our platform. Exporters need a certificate of origin to access preferential duty rates under free trade agreements, a service where TradeWindow stands out with its 24/7 availability in Australia and New Zealand.

After recruiting new customers to the Origin service, we can then more easily demonstrate the productivity benefits of our other functions in Cube, TradeWindow's global trade platform, including ocean carrier bookings, customs clearance, e-commerce, supply chain tracking, and encrypted data storage.

## Capital Management

At the end of March 2024 TradeWindow had cash reserves of \$0.2 million, down from \$1.8 million at the end of September 2023.

The successful share issue we concluded in April raised a total of \$2.2 million from existing shareholders including cornerstone investors ASB Bank, AJ and Co-Founder, Kerry Friend. It also attracted a new institutional investor and more than 1,000 new retail shareholders and has provided the capital to see us through to financial self-sustainability. ASB meanwhile agreed ahead of the capital raising to the removal of the requirement for TradeWindow to carry consolidated cash balances of twice the amount of our bank facility limits. It also extended loan amortisation relief to 31 March 2025.

## Governance

TradeWindow's governance is characterised by our values which emphasise accountability, integrity, competence, responsibility, fairness and transparency. These qualities have been abundantly on show around the Board room table over the last year as we have managed the capital constraints and undertaken the necessary and deep reorganisation of the business.

TradeWindow has placed an outsized demand on its Directors, and we want to thank them on behalf of all shareholders. We want to particularly acknowledge the independent directors Phil Norman and Diana Puketapu. Diana stepped aside from the board in November after two years with the company and in line with the broader capital management initiatives we have resolved not to replace her.

## Outlook

The productivity benefits offered by TradeWindow solutions continued to resonate strongly with customers and we expect this to continue, even as the company begins to see a stabilisation in shipping costs and an easing in inflationary pressures.

We are well positioned to benefit from these trends should they translate into a broader economic recovery as we expect such a recovery to be accompanied by an increase in transaction volumes. New trade agreements and regulatory changes are also continuing to support

<sup>1</sup> Ord Minnett Research, November 2023. <sup>2</sup> Australia Trade | WITS Data (worldbank.org) <sup>3</sup> All comparisons are to the 12 months ended 31 March 2024 unless otherwise stated. <sup>4</sup> Customer numbers and categorisation methodology have been refined to include contracted and pay as you go customers. Prior year comparatives have been restated. <sup>5</sup> Annual recurring revenue (ARR) is calculated using subscription revenue for March 2024 and the monthly average of transaction revenue for Q4 FY 2024 annualised. <sup>6</sup> EBITDA is a non-GAAP measure of financial performance it is defined and reconciled to the GAAP measure of net loss after tax on slide 16 of the full year results announcement for FY24: <https://www.nzx.com/announcements/431995>

digitisation of trade information and the long-term outlook for the company.

We have the talent and intellectual property and the capital to advance our strategy. Our focus is now entirely back on matters that offer the greatest value for shareholders: executing on our plans to take advantage of the significant opportunities we see.

TradeWindow is delighted with the progress we have made in the first two months of the new financial year. In line

with the guidance given at the time of our capital raising we continue to expect FY25 trading revenue to range between \$7.3 million and \$8.3 million and to achieve monthly EBITDA breakeven by the end of the financial year.

We are immensely proud of - and on behalf of shareholders grateful for - the way the TradeWindow team have risen to the challenges of the past year. We look forward to providing a further update on the progress we have made in the first quarter of the financial year in July and seeing you at our Annual Shareholders Meeting in August.

### Key performance indicators - FY24



**Alasdair MacLeod**  
Chair

**AJ Smith**  
Co-Founder and CEO

## Directors and senior leadership team

### Board of directors



**Alasdair MacLeod**  
Independent Chair

Alasdair MacLeod has broad governance experience across the software, technology and not for profit sectors and has worked extensively with primary industry exporters. He is a former Partner of Deloitte NZ and until December 2022 was Chair of NZX-listed Napier Port Holdings Limited. He is currently Chair of Silverstripe Limited, a Wellington-based digital experience company. He was Chair of the Hawke's Bay chapter of Export NZ for seven years.



**Kerry Friend**  
Executive Director

Kerry has three decades of financial management experience. He started his career with EY Wellington before following a career across Asia primarily in the media and entertainment sector. Kerry has previously held senior finance positions with Take-Two Interactive Software (Singapore), Jupiter TV (Japan), Bloomberg (Japan) and News Corporation (Japan). He is a current director of Northpower and Northpower Fibre.



**Phil Norman**  
Independent Director

Phil Norman is a professional director and business advisor for growth companies. His career has included management, ownership and governance roles in many local and international businesses. He was founding chairman of Xero Limited and is a current director of ASX listed TASK Group Holdings Limited, and Loyalty New Zealand Limited (Fly Buys).



**AJ Smith**  
Executive Director and  
Chief Executive Officer

AJ Smith is a founding shareholder of TradeWindow and has been the CEO from the company's inception in 2018 building on a track record of innovation and investment in successful rapid-growth companies including MediFin, GreenFin and Bonds Africa (South Africa) and Commonwealth Finance Group (Switzerland). With a strong belief in building high-performance teams, AJ is an active executive member of the Young Presidents Organisation.

## Senior leadership team



**AJ Smith**  
Executive Director and  
Chief Executive Officer

AJ Smith is a founding shareholder of TradeWindow and has been the CEO from the company's inception in 2018 building on a track record of innovation and investment in successful rapid-growth companies including MediFin, GreenFin and Bonds Africa (South Africa) and Commonwealth Finance Group (Switzerland). With a strong belief in building high-performance teams, AJ is an active executive member of the Young Presidents Organisation.



**Andrew Balgarnie**  
Chief Strategy Officer

Andrew is an experienced business strategist, deal maker, and problem solver. His background is in planning, strategy, corporate finance and consultancy. He has a proven track record for delivering complex transactions including the procurement of NBN Co's satellite network. Andrew has a Bachelor of Business Studies in Accounting from Massey University and an MBA from the Australian Graduate School of Management.



**Deidre Campbell**  
Chief Financial Officer

Deidre joined TradeWindow in February 2020. Prior to this, she was Group CFO of Methven Limited. Deidre has extensive experience in leading and building teams, policy and processes in finance and governance to support and enable business through NZX listing, mergers and acquisitions and international growth. Deidre holds a Bachelor of Accounting from Auckland University of Technology and Wintec – Waikato Institute of Technology. She is also a member of the Chartered Accountants Australia and New Zealand.



**Kerry Friend**  
Executive Director

Kerry has three decades of financial management experience. He started his career with EY Wellington before following a career across Asia primarily in the media and entertainment sector. Kerry has previously held senior finance positions with Take-Two Interactive Software (Singapore), Jupiter TV (Japan), Bloomberg (Japan) and News Corporation (Japan). He is a current director of Northpower and Northpower Fibre.



**Dewald van Rensburg**  
Chief Operating Officer

Dewald is a lawyer with more than 20 years' experience in corporate and commercial law. Prior to joining TradeWindow in December 2019, Dewald worked as Registrar at a South African university where he oversaw governance and compliance for more than 40 institutional committees. He has served as Director on various Boards and has a BProc and an LLM in International Corporate Finance Law, and is currently pursuing a Doctorate in Business Administration

# Our strategy

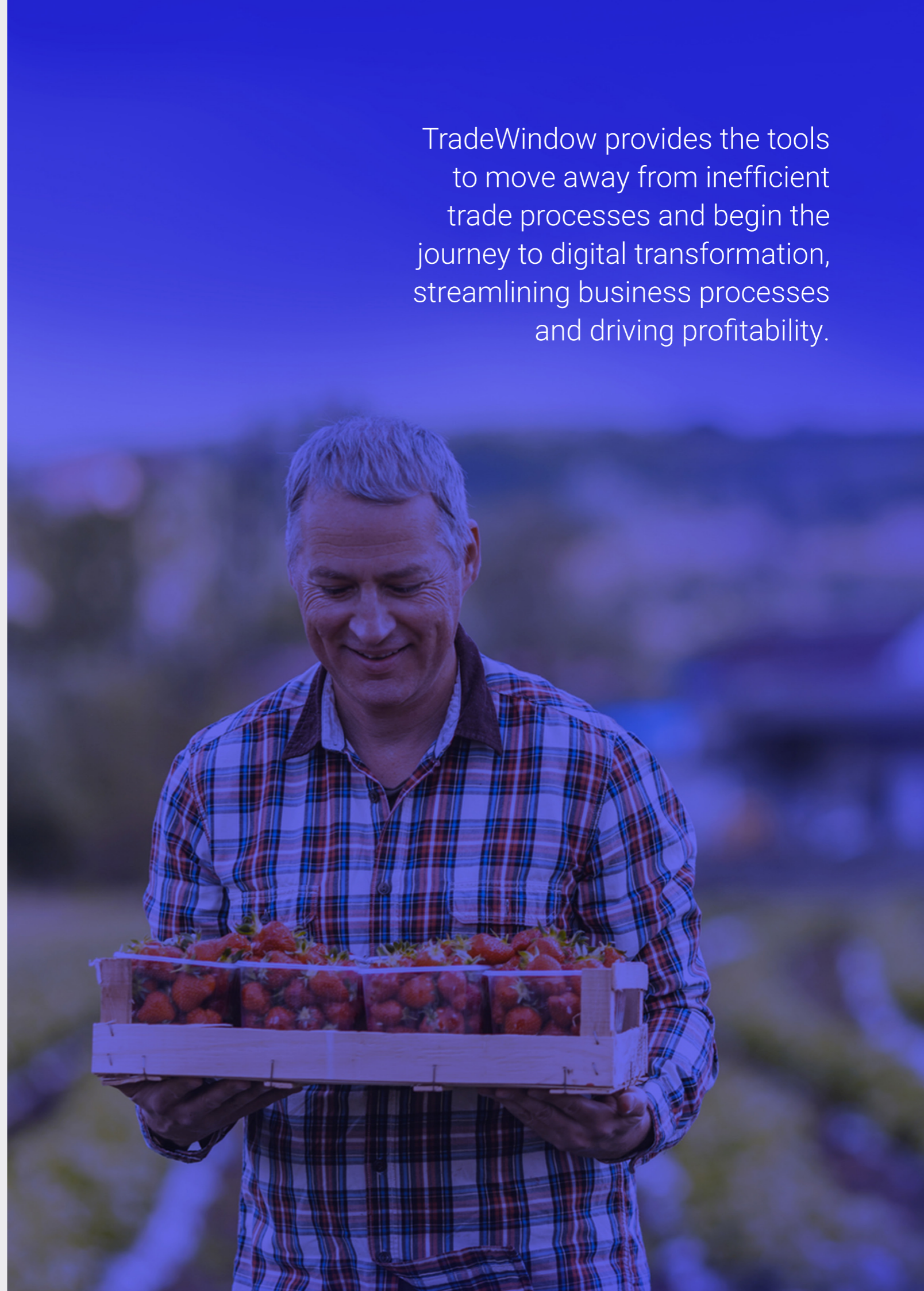
We remain focused on delivering our high-level strategy, with a shift in emphasis to focus our resources on the Land and Grow pillars. We believe this will provide a faster path to having a self-sustaining model.

## Strategic summary

Trusted digital trade facilitation delivered through Cube a global trade platform that connects our customers with their supply chain ecosystem.

<b>Land</b>  <b>Market penetration</b>  Build on the foundations of our acquired customer base across A/NZ	<b>Grow</b>  <b>Add customer value</b>  Build trusted relationships with our existing customers; with market leading brands taking up Cube	<b>Unify</b>  <b>Global trade platform</b>  Converge proprietary and acquired software solutions into a highly scalable global trade platform	<b>People</b>  <b>Build capability</b>  Create and maintain an environment focused on performance, innovation and accountability
<b>Acquire</b>  <b>Accelerate growth</b>  Continue to look for ways to accelerate our strategic priorities and growth through targeted acquisition			

TradeWindow provides the tools to move away from inefficient trade processes and begin the journey to digital transformation, streamlining business processes and driving profitability.



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# Our solutions

TradeWindow's solutions are designed to be adopted in increments, delivering increasing value to customers

Customers start by digitising their back-end operations with TradeWindow's Productivity solutions. Digitisation of internal processes can provide a catalyst for organisations to take the next step in their digital transformation journey – secure connectivity with permissioned partners across the supply chain ecosystem. Data captured by the Productivity and Connectivity solutions can be re-purposed, aggregated, and enriched to provide customers increased levels of visibility across their supply chain to more effectively manage risk and engage customers.



# Revenue composition

Trading revenues highly predictable with 94% recurring

## Transactional revenue

TradeWindow generates transactional revenue each time a customer either creates or shares a set of trade documents.

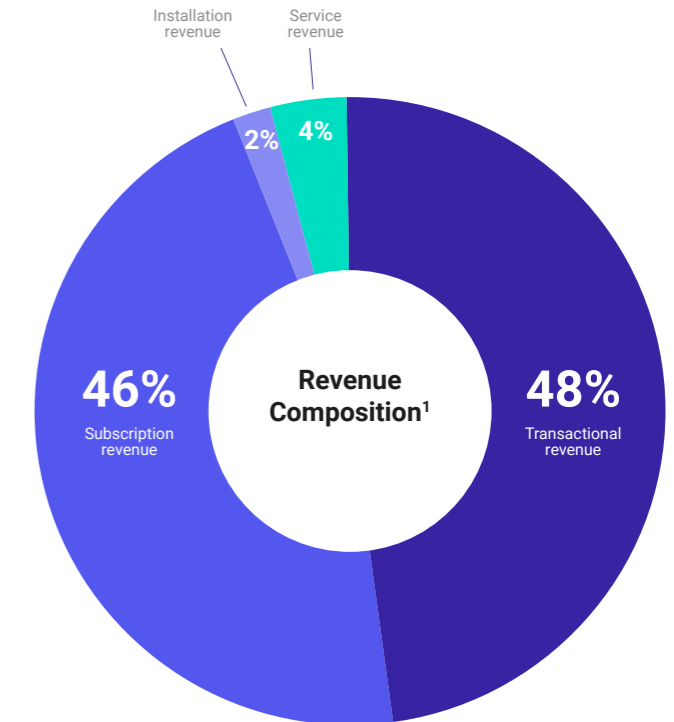
## Subscription revenue

Customers pay monthly, quarterly, or annual subscription fees to access solutions.

The amount of fee varies depending on the number of solutions subscribed for and the number of users.

TradeWindow generates transactional revenue each time a customer either creates or shares a set of trade documents.

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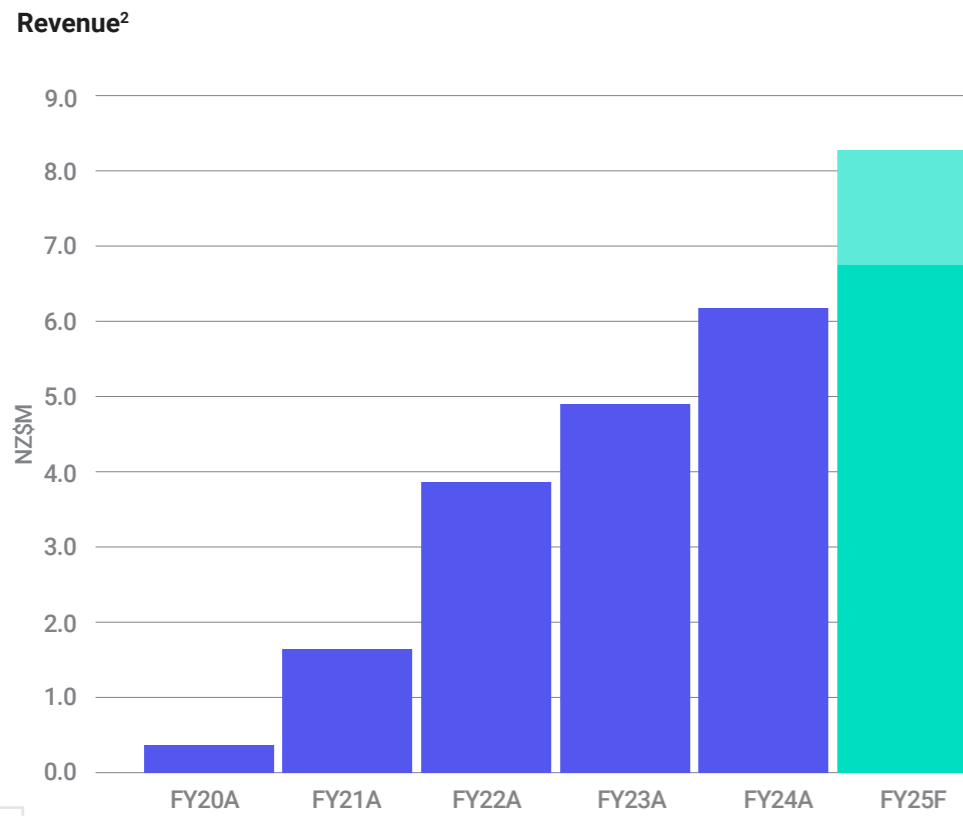


1. Based on actual trading revenue in the year to the end of March 2024

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# Growing from solid foundations

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## 513 organisations use our technology

Some of the Australasia's most prolific shippers and freight forwarders rely on our solutions to run business critical operations.

Dairy	Meat	Seafood	Horticulture	Logistics & Other

- Delivered a CAGR of 104%<sup>1</sup> since the start of commercialisation in January 2020.
- Forecasting continued revenue growth in the range of 20% to 34% year-on-year for FY25 (1 April 2024 to 31 March 2025).
- Trading revenue guidance of \$7.3m to \$8.3m for FY25.
- Forecast revenue growth underpinned by cross-selling to existing customers and winning new customers in Australia.

1. CAGR period FY20 to FY24

2. Forward-looking financial information should be read in conjunction with key assumptions on Slide 26 of the full year results announcement for FY24: <https://www.nzx.com/announcements/431995>

# Environmental, Social and Governance Report

This Environmental, Social and Governance ('ESG') Report, which incorporates TradeWindow's Statement on Governance was approved by the Board of TradeWindow Holdings Limited on 27 June 2024 and is accurate as at that date. The Board does not undertake any obligation to revise this Report to reflect events or circumstances after 27 June 2024 (other than in accordance with the continuous disclosure requirements of the applicable Listing Rules).

## Introduction

Responsible leadership, characterised by our values which emphasise accountability, integrity, competence, responsibility, fairness and transparency, has been the defining ethos of TradeWindow, and contributes towards ensuring good corporate citizenship. Decisions, actions and deliberations are conducted with sensitivity to the legitimate interests and expectations of all stakeholders and TradeWindow fully understands the triple context in which it operates – economy, society, and environment. TradeWindow exercises leadership within a governance system to ensure that its mission is carried out within a framework that promotes diversity and inclusion, benefits society, protects the environment, and ensures sustainability. TradeWindow aspires to have a low environmental impact and we encourage customers, suppliers, and other stakeholders to do the same.

## Environmental

As a software development company TradeWindow operates in an online environment, with its operational model primarily utilising office-based employees. For this reason, TradeWindow's direct environmental footprint is relatively small and is made up largely from third-party data centres, energy used in its offices, employee travel and from the typical consumables of an online, office-based business.

TradeWindow is committed to minimising our environmental impact as an integral part of our business strategy and operating methods. Our key environmental initiatives include:

- **Hybrid working** – TradeWindow employees can choose to work from home part of the time, reducing the carbon emissions associated with commuting.
- **Travel** – We are conscientious when booking travel and, where possible, combine meetings to minimise our trips and reduce CO2 emissions.
- **Minimal-paper office** – TradeWindow uses digital solutions to store and manage company records.
- **Cloud-computing** – TradeWindow partners with both Microsoft and Amazon Web Services ('AWS') as providers of cloud services. Microsoft has been carbon neutral since 2012 and is committed to zero-waste by 2030. AWS has a long-term commitment to use 100% renewable energy by 2027.
- **Recycling** – Our offices are equipped with, and staff fully embrace recycling.

## Climate-related disclosures

TradeWindow is supportive of efforts to mitigate the impact of commercial activities on the environment. TradeWindow will make annual disclosures covering governance arrangements, risk management, strategies, metrics and targets for mitigating and adapting to climate change impacts once it meets the definition of a Climate Reporting Entity. It is not anticipated that TradeWindow will meet the market capitalisation threshold requirements in the medium term. Notwithstanding, TradeWindow will continue to monitor its status and prepare accordingly.







As an early stage company TradeWindow's primary focus is on building its revenues and becoming financially sustainable, while being conscious of its role in the supply chain and attempting to put environmentally friendly behaviours in place.

## Social

TradeWindow is committed to creating an open workplace where every team member is welcomed, supported, and inspired, and where diversity is celebrated. TradeWindow's diversity and inclusion principles will be practically implemented across the business by:

- providing training and education that raises employee awareness of inclusion and diversity and associated benefits supported by;
- ensuring our recruitment, development and management approaches enable inclusion and diversity at all levels;
- ensuring our people receive fair and equitable pay and benefits. Our remuneration is governed by the Nomination and Remuneration Committee;

## TradeWindow's values

 <p><b>Be real</b></p> <p>We value diversity of thought, honesty and openness – we challenge with respect</p>	 <p><b>Think big</b></p> <p>We challenge the definition of possible</p>	 <p><b>One team</b></p> <p>We take bold steps together to deliver the smartest solution</p>
 <p><b>Always engaged</b></p> <p>We take time to understand our customers and stakeholders to deliver the best work of our lives</p>	 <p><b>Own it</b></p> <p>We always deliver, and on time</p>	 <p><b>Fiercely efficient</b></p> <p>We make each minute and every dollar count</p>

enhancing processes and policies to encourage greater flexibility and diversity;

- entrenching inclusion and diversity in our culture through engaging internal communications and events;
- regularly tracking progress against targets; and
- having zero tolerance for harassment, discrimination, or victimisation which is documented in TradeWindow's Code of Ethics.

TradeWindow's growth plans rely on attracting and retaining highly skilled and experienced subject matter experts from both commercial and technical domains. As TradeWindow operates in an industry that is competitive for talent, the senior leadership team has been focused on shaping a culture that people aspire to be a part of. Our environment is focused on performance, innovation, and accountability.

Early in TradeWindow's history, the senior leadership team came together to define the behaviours that underpin the Company's high-performance team culture. TradeWindow's culture manifesto and values are shown in the diagram on the preceding page, and regular company-wide meetings are used to reinforce their importance to all staff. They describe what is important, set expectations, and guide decisions.

**TradeWindow's culture manifesto**

Innovation starts with people. We're a diverse team of highly skilled subject matter experts. Together with our customers we work to overcome the challenges in global trade. Shared values, creativity and passion push us to deliver the best work of our lives.

TradeWindow operates in a dynamic, fast-paced environment. Our people need to continuously acquire knowledge and learn new skills, as we believe new ideas spur opportunities for innovation.

We make wellbeing a priority at TradeWindow. Our people are provided with health insurance, and five days paid "Chill" days. TradeWindow provides a stimulating and healthy work environment and flexible working options.

**Governance focus**

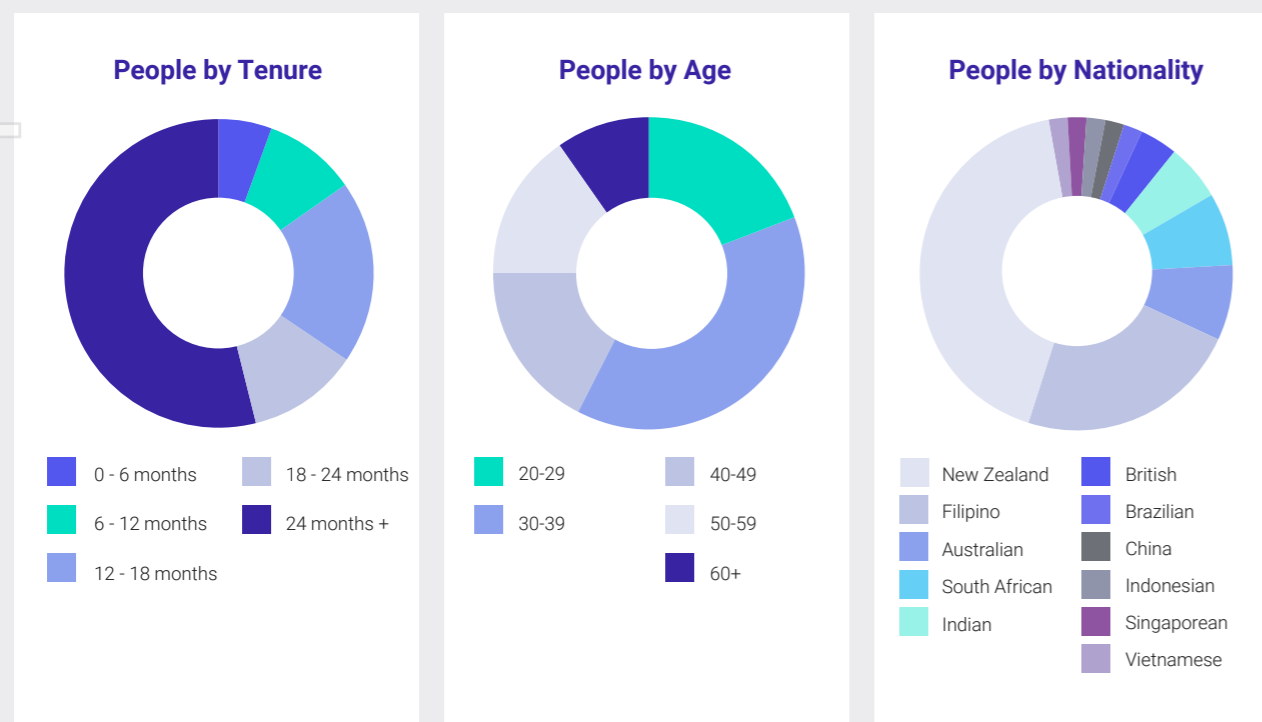
The Board and management of TradeWindow are committed to ensuring that TradeWindow maintains corporate governance practices that are in line with best practice, and that TradeWindow adheres to the highest ethical standards.

TradeWindow is listed on the New Zealand Stock Exchange ('NZX Main Board') and needs to comply with the NZX Listing Rules. The Board has had regard to the NZX Listing Rules and a number of corporate governance recommendations when establishing its governance framework, including the NZX Corporate Governance Code dated 17 June 2022. TradeWindow's implementation of these recommendations is set out in the Corporate Governance Statement.

TradeWindow's Board has been appointed to protect and enhance the long-term value of TradeWindow and to act in the best interests of its stakeholders.

The Board is the ultimate decision-making body of the company and is responsible for the corporate governance of the company. The role and responsibilities of the Board are set out in the Board Charter, which can be found on the investor centre of the Company's website.

The Board has established two standing Board Committees to assist in the execution of the Board's responsibilities, namely the Audit and Risk Committee and the Nomination and Remuneration Committee. An overview of the composition of the Board and Board Committees is shown below and biographical information for directors is set out on pages 6 – 7 of this Annual Report.



**Board and Committee Composition**

Board	Audit and Risk Committee	Nomination and Remuneration Committee
Alasdair MacLeod Chair and Independent Director	Phil Norman Chair	Alasdair MacLeod Chair
Phil Norman Independent Director	Alasdair MacLeod	Phil Norman
AJ Smith Executive Director and CEO	Kerry Friend	AJ Smith
Kerry Friend Executive Director		

# Corporate governance statement

TradeWindow actively embraces good corporate governance as it protects the interests of all stakeholders and creates and enhances value over the short and long term. At TradeWindow, we regularly review our corporate governance systems and are always looking at opportunities for improvement.

The NZX Listing Rules ('Listing Rules') require TradeWindow to formally report its compliance with the recommendations contained in the NZX Code. TradeWindow's implementation of these recommendations is set out in this Corporate Governance Statement. The Board considers that (unless specifically stated) TradeWindow's corporate governance structures, practices and processes have followed the recommendations in the NZX Code, except where stated, since listing on the NZX on 22 November 2021 until 31 March 2024.

This Corporate Governance Statement was approved by the TradeWindow Board (the 'Board') on 27 June 2024. All of the policies and charters referred to below are available on our website at <https://tradewindow.io/investor-centre>. Unless stated otherwise, all of the information in this statement is current as at 31 March 2024.

**PRINCIPLE 1 – ETHICAL STANDARDS**

“Directors should set high standards of ethical behaviour, model this behaviour and hold management accountable for these standards being followed throughout the organisation.”

**Recommendation 1.1**

**The Board should document minimum standards of ethical behaviour to which the issuer’s directors and employees are expected to adhere (a code of ethics).**

We are committed to maintaining high standards of honesty, integrity, and ethical conduct. Our expectations in this respect are set out in our Code of Ethics, Continuous Disclosure Policy, and our Securities Trading Policy.

Employees receive information and training on ethical conduct, conflict of interest disclosures, whistleblowing, and securities trading. Breaches of policy are taken seriously. We have a Policy on Protected Disclosures which enables employees to raise breaches of policy confidentially, if required.

We maintain conflicts of interest registers which are continuously being monitored internally and by the Board. The key policies are available on our website.

**Recommendation 1.2**

**An issuer should have a financial product dealing policy for directors and employees.**

Our Policy on Securities Trading summarises the law on insider trading and restrictions on Directors and employees dealing in our shares. The policy introduces a trading prohibition for Directors and certain employees (‘Restricted Persons’) at defined times (‘blackout periods’).

Compliance with the Securities Trading Policy is monitored through a consent process, through education and via notification by TradeWindow’s share registrar (‘Computershare’) when any director or senior manager trades in TradeWindow securities.

**PRINCIPLE 2 – BOARD COMPOSITION & PERFORMANCE**

“To ensure an effective Board, there should be a balance of independence, skills, knowledge, experience and perspectives.”

**Recommendation 2.1**

**The Board of an issuer should operate under a written charter which sets out the roles and responsibilities of the Board. The Board charter should clearly distinguish and disclose the respective roles and responsibilities of the board and management.**

The Board Charter sets out the roles and responsibilities of the Board, its composition, meeting administration, performance assessment and relationship with shareholders and stakeholders. It requires that the Board meets formally at least six times annually, and clearly distinguishes between the role of the Board and the role of management.

The Board delegates responsibility to the CEO for implementing our strategic direction and day-to-day operations, as recorded in our Delegated Authorities Policy. Management provides detailed reports to the Board to keep the Board up to date with key operational activities and other aspects, including financial performance.

The Company Secretary supports the effectiveness of the Board by ensuring that its policies and procedures are followed. The Company Secretary coordinates the completion and dispatch of the Board agendas and papers and is directly accountable to the Board, via the Chair, on all governance matters.

**Recommendation 2.2**

**Every issuer should have a procedure for the nomination and appointment of Directors to the Board.**

The procedure for the appointment and removal of directors is ultimately governed by the Company’s Constitution and relevant NZX Listing Rules.

TradeWindow’s Board has established a Nomination and Remuneration Committee with an approved Charter. The Charter sets out the purpose and objectives of the committee as well as the role that it plays in the nomination and appointment of Directors to the Board.

The majority of committee members are non-executive, independent directors. It is a requirement that the Board be structured to ensure that, as a collective group, it has the skills, experience, knowledge, diversity and perspective to fulfil its purpose and responsibilities.

The Committee makes recommendations to the Board from time to time as to the appointment and re-election of directors, having regard to the Board composition. It is the responsibility of the Committee to ensure that individuals that are recommended by the Committee are suitably qualified for eligibility for selection as a director.

In nominating candidates, the Committee takes into consideration the terms of reference for the directors and such other factors as it deems appropriate, such as experience, qualifications, character, criminal record, bankruptcy history, judgment, ability to work with others, current Board composition and skillset and diversity and inclusion.

The minimum number of Directors to be appointed to the TradeWindow Board comprises two independent, non-executive directors. The Board’s standards for determining independence include the requirements of the NZX. In particular, the Board will give preference to the non-exhaustive factors set out in the NZX Corporate Governance Code (as amended from time to time).

The Board will assess the independence of directors on their appointment and at least annually thereafter. Before any candidate is finally selected, appropriate fit and proper background checks are undertaken.

Important information about candidates is provided to shareholders in the notice of meeting at which they will vote on the appointment of a new Director.

**Recommendation 2.3**

**An issuer should enter into written agreement with each newly appointed director establishing the terms of the appointment.**

All Directors enter into a written agreement with TradeWindow. The agreement outlines their appointment terms, and role requirements, including time commitments and remuneration, as well as indemnity and insurance arrangements.

**Recommendation 2.4**

**Every issuer should disclose information about each director in its annual report or on its website including a profile of experience, length of service, independence and ownership interests and director attendance at Board meetings.**

Director Profiles are included on page 7 of this Annual Report. Each profile contains information on the

experience, length of service, capacity in which they serve on the Board as well as disclosed interests. Interests are provided on pages 109 - 110 of this Annual Report. The table below provides an overview of Director attendances at Board meetings during the year under review. In addition to normal generally monthly Board meetings, Trade Window Holdings Limited held a number special Board meetings throughout the year related to non-routine matters

*In addition to normal generally monthly Board meetings, Trade Window Holdings Limited held a number special Board meetings throughout the year related to non-routine matters.*

**Recommendation 2.5**

**An issuer should have a written diversity policy which includes requirements for the Board or a relevant committee of the Board to set measurable objectives for achieving diversity (which, at a minimum, should address gender diversity) and to assess annually both the objectives and the entity's progress in achieving them. The issuer should disclose the policy or a summary of it.**

TradeWindow is committed to cultivating an environment that promotes and values diversity and creating an open workplace where every team member is welcomed, supported, and inspired.

We believe TradeWindow is a place where all our employees can express themselves, and our collective unique differences and experiences can contribute to the success of our people and the business.

We are committed to removing perceived or tangible barriers to becoming part of our team, treating everyone fairly and respectfully, and providing equal opportunities based on performance and potential. We have zero-tolerance for harassment, discrimination, or victimisation.

The policy provides that the Board is responsible for establishing measurable objectives for achieving diversity which reflect the principles set out in the policy and which address, at a minimum, gender diversity.

Each year TradeWindow will review the effectiveness and relevance of the policy; the metrics to identify areas for improvement of inclusion and diversity across the business; and measure TradeWindow's performance with respect to the policy, including that towards achieving the measurable objectives. The Board is confident that the current measures are promoting diversity of thought and good decision making

The table below sets out the gender balance at TradeWindow as at 31 March 2024.

Director meeting attendance as members					
Number of meetings FY23		TWHL	TWL	NRC	ARC
Alasdair MacLeod	Independent Director	24	11	3	5
Diana Puketapu	Independent Director	7	10	-	3
Phil Norman	Independent Director	22	11	3	6
AJ Smith	Executive Director & CEO	24	11	3	-
Kerry Friend	Executive Director	22	11	-	6

As at 31 March 2024			
	Female	Male	Total
Directors	0	4	4
Senior Leadership Members	3	5	8
Employees and Contractors	15	27	42
Total (Including directors)	18	36	54
<b>Percentage</b>	<b>33%</b>	<b>67%</b>	<b>100%</b>

**Recommendation 2.6**

**Directors should undertake appropriate training to remain current on how to best perform their duties as Directors of an issuer.**

The Board normally commits to sessions of organised visits and meetings focused on some aspect of the business. Directors also attend a number of workshops with Management annually to agree on TradeWindow’s purpose and strategy.

New directors participate in an induction programme, designed to educate them about TradeWindow and our governance arrangements. Directors are expected to fulfil Continuing Professional Development obligations of professional organisations to which they belong.

**Recommendation 2.7**

**The Board should have a procedure to regularly assess director, Board and committee performance. The Board Charter regulates the performance assessment process of the Board, its committees and directors.**

The Board undertakes a bi-annual evaluation of its performance which includes a review of the Board’s role, Board processes and committees to support that role; review of the performance of the Board and each director; and identify and effect any amendments to the Board Charter if deemed necessary. An external performance review may be conducted if required.

**Recommendation 2.8**

**A majority of the Board should be independent Directors.**

The Board resolved, following the resignation of independent Director Diana Puketapu on 31 October 2023, not to replace to her in order to reduce company operating costs as a consequence there a not a majority of independent Directors on the Board (per recommendation 2.8). Nevertheless, the board is confident that it has

sufficient representation of independent Directors to ensure effective decision making

**Recommendation 2.9**

**An issuer should have an independent chair of the board. If the chair is not independent, the chair and the CEO should be different people.**

TradeWindow’s Chair of the Board, Alasdair MacLeod, is an Independent Director.

**Recommendation 2.10**

**The Chair and CEO should be different people**

See recommendation 2.9.

**PRINCIPLE 3 – BOARD COMMITTEES**

“The Board should use committees where this will enhance its effectiveness in key areas, while still retaining Board responsibility.”

**Recommendation 3.1**

**An issuer’s audit committee should operate under a written charter. Membership on the audit committee should be majority independent and comprise solely of non-executive Directors of the issuer. The chair of the audit committee should be an independent director and not the chair of the Board.**

TradeWindow has established an Audit and Risk Committee. The roles and responsibilities are set out in the Committee Charter. The Audit and Risk Committee provides advice to the Board in respect of: external financial reporting; risk management and processes; internal and external audit processes; and internal control mechanisms. The Chair of the Audit and Risk Committee reports back to the Board at each meeting and makes recommendations, as necessary. The Committee reviews its performance against its Charter bi-annually.

The Audit and Risk Committee comprises three members, with a maximum of five, the majority of which are independent directors. The chair of the Audit and Risk Committee is Phil Norman. He is an independent non-executive director with a financial background, and he is not the chair of the Board. Whilst the Audit and Risk Committee does not solely comprise of non-executive Directors (per Recommendation 3.1), the Board considers that Kerry Friend provides important financial experience and skills that are valuable to the Committee.

**Recommendation 3.2**

**Employees should only attend audit committee meetings at the invitation of the audit committee.**

External advisors, the Chief Financial Officer, Chief Executive Officer, and others as appropriate may be invited to attend Audit and Risk Committee meetings at the discretion and invitation of the Committee. Invitees may be requested to withdraw from the meeting at any time by the meeting Committee Chair.

**Recommendation 3.3**

**An issuer should have a remuneration committee which operates under a written charter (unless this is carried out by the whole Board). At least a majority of the remuneration committee should be independent Directors. Management should only attend remuneration committee meetings at the invitation of the remuneration committee.**

TradeWindow has established a Nomination and Remuneration Committee. The roles and responsibilities are set out in the Committee Charter. The Committee’s role is to assist the Board in discharging its responsibilities in relation to the management and risk compliance of statutory and regulatory requirements in relation to human resources by the Chief Executive Officer and senior management; identifying and recommending candidates to the Board for appointment as a director; remuneration and benefits policies of TradeWindow’s senior executives and management; appointment, remuneration and evaluation of the Chief Executive Officer and succession planning in relation to him/her; the composition of the Board.

Where necessary, it can engage external advisors for assistance in connection with the suitability of current or new Board members; and reviewing annual incentive targets and TradeWindow-wide salary and incentive policies.

The Chair of the Nomination and Remuneration Committee report back to the Board at each meeting and makes recommendations, as necessary. The Committee reviews its performance against its Charter at least once a year.

The Nomination and Remuneration Committee comprises two members, with a maximum of five, the majority of which are independent directors. The chair of the Nomination and Remuneration Committee is Alasdair MacLeod. External advisors, the Chief Financial Officer, and others as appropriate may be invited to attend Nomination and Remuneration Committee meetings at the discretion and invitation of the Committee. Invitees may be requested to withdraw from the meeting at any time by the meeting Committee Chair.

**Recommendation 3.4**

**An issuer should establish a nomination committee to recommend director appointments to the Board (unless this is carried out by the whole Board), which should operate under a written charter. At least a majority of the nomination committee should be independent Directors.**

As previously indicated, the company does not have a standalone nomination committee but instead merged the function into the Nomination and Remuneration Committee.

The Nomination and Remuneration Committee operates under a written charter and the majority of the Committee members are non-executive, independent directors.

As indicated under recommendation 2.2 the committee's role is to recommend director appointments to the Board with due consideration to the terms of reference for the directors and such other factors as it deems appropriate, such as experience, qualifications, character, criminal record, bankruptcy history, judgment, ability to work with others, current Board composition and skillset and diversity and inclusion.

**Recommendation 3.5**

**An issuer should consider whether it is appropriate to have any other Board committees as standing Board committees. All committees should operate under written charters. An issuer should identify the members of each of its committees, and periodically report member attendance.**

The Board charter enables the Board to establish other committees, as required from time to time. The two established committees are the Audit and Risk Committee and the Nomination and Remuneration committee, each with its own charter. Membership and attendance information is provided in the table under recommendation 2.4.

**Recommendation 3.6**

**The Board should establish appropriate protocols that set out the procedure to be followed if there is a takeover offer for the issuer including any communication between insiders and the bidder. The Board should disclose the scope of independent advisory reports to shareholders.**

**These protocols should include the option of establishing an independent takeover committee, and the likely composition and implementation of an independent takeover committee.**

TradeWindow's Takeovers Policy sets out the process to be followed if there is a takeover offer. The Policy records that the Board may establish an independent Takeover Committee to manage this process.

**PRINCIPLE 4 – REPORTING & DISCLOSURE**

“The Board should demand integrity in financial and non-financial reporting, and in the timeliness and balance of corporate disclosures.”

**Recommendation 4.1**

**An issuer's Board should have a written continuous disclosure policy.**

Our Continuous Disclosure Policy reflects TradeWindow's commitment to: maintaining a fully informed market through effective communication with the NZX, the Company's shareholders, investors, analysts, media and other interested parties (together "stakeholders"); and providing all stakeholders with equal and timely access to material information concerning the Company that is accurate, balanced, meaningful and consistent.

Everyone is required to be familiar with the Policy and associated procedures. Directors and Management are primarily responsible for compliance with our continuous disclosure obligations.

**Recommendation 4.2**

**An issuer should make its code of ethics, Board and committee charters and the policies recommended in the NZX Code, together with any other key governance documents, available on its website.**

TradeWindow's Code of Ethics, Board and committee charters and policies as recommended in the NZX Code and other key documents are available on the Company's website.

**Recommendation 4.3**

**Financial reporting should be balanced, clear and objective.**

Financial reporting and integrity remain the responsibility of the Board.

The Audit and Risk Committee closely monitors financial reporting risks in relation to the preparation of the financial statements. The Audit and Risk Committee, with the assistance of management, also works to ensure that the financial statements are founded on a sound and effective system of risk management and internal control.

After approval by the Audit and Risk Committee, the complete set of financial statements and related audit report is submitted to the full Board for approval.

Management makes detailed representations to the Board to assist them in their consideration of the draft financial statements.

TradeWindow's full and half-year financial statements are prepared in accordance with relevant financial standards. The Board remains ultimately responsible for overseeing and reviewing the Company's audit, risk management and compliance systems to protect the Company's assets and minimise the possibility of the Company operating beyond legal requirements or beyond acceptable risk parameters.

The Board further oversees the accounting and reporting systems (including the external audit) to ensure that the Company provides continuous disclosure of information to the investment community and that shareholders have all the information available that they may reasonably require to make informed assessments of the Company's prospects.

TradeWindow is committed to ensuring the integrity and timeliness of its financial reporting, and to providing information to shareholders in a timely manner.

**Recommendation 4.4**

**An issuer should provide non-financial disclosure at least annually, including considering environmental, social sustainability and governance factors and practices.**

Non-financial sustainability disclosures are covered in pages 16-19 of this report.

As an early-stage company TradeWindow's primary focus is on building its revenues and becoming financially sustainable, while being conscious of its role in the supply chain and attempting to put environmentally friendly behaviours in place. Our efforts to achieve these broad goals are set out on pages 16-19 of this report.

As TradeWindow grows and evolves, the Board expects to evolve its sustainability disclosures guided by the requirements and aspirations of its key stakeholders.

## PRINCIPLE 5 – REMUNERATION

“The remuneration of Directors and executives should be transparent, fair and reasonable.”

### Recommendation 5.1

**An issuer should have a remuneration policy for the remuneration of directors. An issuer should recommend director remuneration to shareholders for approval in a transparent manner. Actual director remuneration should be clearly disclosed in the issuer’s annual report.**

The Nomination and Remuneration Committee is responsible for reviewing and recommending Directors’ remuneration to the Board for approval. The terms of reference for the Nomination and Remuneration Committee is set out in the Nomination and Remuneration Committee Charter.

Directors’ remuneration is paid in the form of directors’ fees. The total fee pool available to be paid to directors is subject to shareholder approval unless there has been an increase in the number of directors following approval of the total fee pool by shareholders, in which case additional remuneration may be payable if permitted by the NZX Listing Rules. The total fee pool is currently \$500,000.

The Nomination and Remuneration Committee obtains an independent review of remuneration and, if a change is proposed, makes that review available to shareholders, who then vote on the proposed remuneration at the applicable annual meeting.

Current Directors’ remuneration is set out in the statutory information section of the annual report.

### Recommendation 5.2

**An issuer should have a remuneration policy for remuneration of Executives, which outlines the relative weightings of remuneration components and relevant performance criteria.**

Our Strategic Remuneration Policy is designed to ensure that TradeWindow meets the strategic policy objective of attracting, rewarding, and retaining staff with the requisite skills and capabilities to ensure successful business outcomes.

The remuneration of Executives may be made up of both fixed remuneration (base salary) and may also include short-term incentives (STIs) and long-term incentives (LTIs) as a means to encourage and incentivise the delivery of performance and align interests with shareholders.

STIs aim to reward the achievement of prescribed performance measures; and LTIs aim to reward the achievement of performance measures that are measured over a longer-term. The Employment Share Option Scheme (ESOP) governs the award of certain STIs, and LTIs, including vesting, exercise and rights.

Any benefits from the LTIs are based on company performance rather than individual performance and paid in addition to the market salary and other benefits agreed with the participating employees.

Vesting of Employee Share Options Plan (ESOP) awards is monitored to ensure that the value vested in any one year does not exceed 5% of market capitalisation, as required by NZX Listing Rules.

No STI or LTI were awarded within the reporting period ended 31 March 2024. The CEO along with other Executives participated in a salary sacrifice programme as described in note 21 on page 101 of this report.

### Recommendation 5.3

**An issuer should disclose the remuneration arrangements in place for the CEO in its annual report. This should include disclosure of the base salary, short-term incentives and long-term incentives and the performance criteria used to determine performance-based payments.**

Current CEO remuneration is set out in the statutory information section of our annual report.

## PRINCIPLE 6 – RISK MANAGEMENT

“Directors should have a sound understanding of the material risks faced by the issuer and how to manage them. The Board should regularly verify that the issuer has appropriate processes that identify and manage potential and material risks.”

### Recommendation 6.1

**An issuer should have a risk management framework for its business and the issuer’s Board should receive and review regular reports. An issuer should report the material risks facing the business and how these are being managed.**

The Audit and Risk Committee is responsible for reviewing and monitoring the effectiveness of the Company’s Risk Management Policy (available on the website) and Risk Management Framework (RMF), and the maintenance of appropriate risk culture within TradeWindow.

ISO 31000 sets out eight principles of effective and efficient risk management which have been incorporated by TradeWindow in its Risk RMF. The goal of the RMF is to apply a consistent methodology for assessing the risks faced by TradeWindow. It provides the foundation for effective risk management and ensures significant risks and their potential business impacts are identified and assessed in a timely manner.

The risk assessment process covers risk identification, analysis and evaluation. The Audit and Risk Committee is responsible for reviewing risk capacity and exposure limits (risk appetite) and the alignment of TradeWindow’s risk profile within limits set by the Board. The Committee regularly monitors and reviews the Company’s material business risks and management of these risks as well as overseeing key risk-related processes and functions.

The Committee is required to report to the Board on the effectiveness of the risk-related processes and functions with respect to material business risks, as appropriate. In carrying out these responsibilities, the Committee reviews with management regularly and with the external auditors on at least an annual basis, the significant risks within the Company’s Risk Registers and reviews how they have been assessed and managed.

The Committee also assesses the effectiveness of the related system of internal control in managing the significant risks, having regard to any significant failings or weaknesses in internal control that have been reported and considers whether necessary actions are being taken promptly to remedy any significant failings or weaknesses. In addition, the Committee reviews accounting and finance, human resources and succession planning within the Company; the adequacy of insurance at each insurance renewal, and recommends to the Board any

significant changes to insurance cover; and considers the adequacy of business continuity planning.

The Board has ultimate responsibility for TradeWindow's risk management and internal control system.

TradeWindow proactively and consistently manages its risk to enhance and protect the Company's value by delivering on our commitment to all stakeholders, pursuing opportunities in an informed way and in line with the Board's risk appetite and by ensuring a safe and secure work environment for all stakeholders.

The RMF defines parameters regarding TradeWindow's Calculated Residual risk scoring system whereby Likelihood, Severity, and Control Effectiveness are defined. The inherent risk score is calculated as Likelihood x Severity. The residual risk score is calculated as Likelihood x Severity x Control Effectiveness.

The table below provides an overview of the material risks facing the Company and how these are being managed.

**INFORMATION TECHNOLOGY AND CYBERSECURITY**  
TradeWindow maintains ISO accreditation and conducts ongoing penetration testing. Data encryption is in place (at rest and in transit) as well as password protection and 2 Factor authentication. Continuous log capturing and system monitoring is in place as well as internal training on cybersecurity risks. An incident response plan has been developed as well as a business continuity and disaster recovery plan. Third-party risk management takes place through due diligence on vendors.

**LIQUIDITY**  
TradeWindow is an early-stage business that relies on investor capital until the Company reaches its break-even point. TradeWindow manages its liquidity risk with financial forecasts and budgets to plan and monitor cashflows and monthly financial performance reporting to monitor and deliver the business plan. TradeWindow continuously explores alternative sources of funding and government grants. New products and revenue income streams are being considered to ensure that the Company achieves its forecasted revenue. Spending is being monitored with ongoing monthly reporting and budgets cater only for essential spending. The Company's share offer structure is attractive with a discount being offered.

TradeWindow acknowledges that the current and near-term outlook for liquidity is very challenging and requires a high level of focus from the Board and management.

**KEY PERSON**  
TradeWindow has in place a number of measures intended to mitigate the risks regarding employee attraction and retention, including:

- the implementation of an appropriate employee share scheme with milestones linked to targets of TradeWindow, to allow employees to be able to share in the success and growth of the company in a meaningful way;
- an appropriate employee compensation structure and benefits programme for an organisation of its size and nature which will continue to be monitored;

- provision of on-the-job training providing employees with the tools and support needed to define a career pathway best matched to their ambitions, skills, and experience;
- strong focus on culture and values of the company, to create a reputation of a market-leading employer;
- the provision of wide-ranging staff benefits with a focus on wellbeing, including the provision of paid health insurance, flexible working arrangements and additional leave days; and
- contracts with specific intellectual property and restraint of trade clauses.

<b>BUSINESS CONTINUITY</b>	TradeWindow has a diversified customer base across industries and geographies to minimise impact.
<b>COMPETITIVE MARKETS</b>	TradeWindow continuously monitors market trends, has continued engagement with customers, has attentive customer service and support, and a pipeline of updates to features and functionality which are designed to improve the user experience.
<b>REPUTATION</b>	TradeWindow has a media policy in place as well as a comprehensive risk management program. Continuous monitoring of media is managed via an external service provider. TradeWindow has branding guidelines in place which have been communicated to the staff.
<b>COMPLIANCE AND REGULATORY</b>	TradeWindow's policies and procedures are designed to comply with laws and regulations of a particular subject matter generally. TradeWindow makes use of internal and external legal experts and other advisors to review and ensure optimal compliance. Policies and procedures are in place to enhance governance, compliance, and reporting. Customer agreements are in place which incorporate compliance provisions and exclude liabilities. Product terms and conditions are in place. Insurance is in place in case of breaches.
<b>STRATEGIC ACQUISITION</b>	TradeWindow develops a business plan in support of each acquisition which demonstrate positive returns and/or strategic advantages. TradeWindow's acquisition process also includes commercial, legal, and technical due diligence. An implementation plan with monitoring mechanism ensures integration, monitoring, and reporting.
<b>EARLY-STAGE BUSINESS</b>	TradeWindow has an established management team in place. The strategic acquisitions enabled TradeWindow to diversify its product offerings. A sales and marketing strategy as well as risk management and continuity planning is in place.

**Recommendation 6.2**

**An issuer should disclose how it manages health and safety risks and should report on its health and safety risks, performance and management.**

TradeWindow measures proactive and reactive measures of health, safety, and wellbeing. These include near miss and new hazard frequency rates, an injury severity frequency rate, and a total recordable injury frequency rate, (TRIFR). TradeWindow has adopted a Health and Safety Policy that requires TradeWindow’s people to take all practicable steps to provide a working environment that promotes health and wellbeing while minimising the potential for risk, personal injury, ill-health or damage. We are committed to providing and maintaining a safe and healthy working environment for our employees, visitors, and all people using our premises as a workplace. To enable this, we:

- Set health and safety objectives and performance criteria for all managers and work areas;
- Annually review health and safety objectives and managers’ performance against these;
- Actively encourage the accurate and timely reporting and recording of all incidents and injuries;
- Investigate all reported incidents and injuries to ensure all contributing factors are identified and, where appropriate, plans are developed to take corrective action;
- Actively encourage people to report any pain or discomfort early on;
- Provide a treatment and rehabilitation plan that ensures a safe, early and durable return to work;
- Identify all existing and new hazards and take all practicable steps to eliminate, isolate or minimise the exposure to significant hazards;

- Ensure all employees are aware of the hazards in their work area and are adequately trained to enable them to perform their duties in a safe manner;
- Encourage employee consultation and participation in all matters relating to health and safety;
- Promote a system of continuous improvement – this includes reviewing policies and procedures each year; and
- Work together to meet our obligations under the Health and Safety at Work Act 2015, the Health and Safety in Employment Regulations 1995, codes of practice, and any relevant standards or guideline.

Every manager, supervisor or foreperson has a responsibility for the health and safety of employees working under their direction. Every employee is expected to share in this commitment to health and safety in the workplace. The Board reviews health and safety reports at each Board meeting and oversees a detailed programme of work to ensure TradeWindow remains compliant with its health and safety obligations under relevant health and safety legislation.

TradeWindow is focused on the well-being and mental health of all our people and supporting employees to feel and perform at their best. TradeWindow supports staff by providing an outsourced globally accessible Employee Assistance Programme, which is promoted to encourage usage. In addition, our wellness programme continued to receive positive feedback from participants.

**PRINCIPLE 7 – AUDITORS**

“The Board should ensure the quality and independence of the external audit process.”

**Recommendation 7.1**

**The Board should establish a framework for the issuer’s relationship with its external auditors. This should include procedures (a) for sustaining communication with the issuer’s external auditors; (b) to ensure that the ability of the external auditors to carry out their statutory audit role is not impaired, or could reasonably be perceived to be impaired; (c) to address what, if any, services (whether by type or level) other than their statutory audit roles may be provided by the auditors to the issuer; (d) to provide for the monitoring and approval by the issuer’s audit committee of any service provided by the external auditors to the issuer other than in their statutory audit role.**

The Audit and Risk Committee plays a key role in TradeWindow’s relationship with its auditors, and the audit process generally. It is responsible for recommending the appointment of the external auditors to the Board, overseeing the independence and the work of the external auditors; as well as reviewing policies for the provision of non-audit services by the external auditors (including the framework for pre-approval of any such services).

The Committee meets regularly with UHY Haines Norton, our external auditor, including meeting without management. UHY Haines Norton confirmed their independence from the Company to the Audit and Risk Committee in May 2024. Non-audit services performed by UHY Haines Norton are closely examined by Management

and the Chair of the Audit and Risk Committee prior to engaging UHY Haines Norton, for these additional services, to ensure that they do not compromise UHY Haines Norton’s independence. No non-audit services were provided by UHY Haines Norton during the period.

TradeWindow’s policy on Auditor Independence is available on our website. The objective of the policy is to ensure that TradeWindow’s auditors carry out their functions independently and without impairment, safeguarding the reliability and credibility of TradeWindow’s external financial reporting.

The Policy recognises the importance of the Board’s role in facilitating frank dialogue among the Audit and Risk Committee, the auditor and management.

The rotation of TradeWindow’s client service partner and the Key Audit Partner (as that term is defined in the NZX Listing Rules) of TradeWindow and its subsidiaries will be required every five years with suitable succession planning to ensure consistency. Those partners are subject to a mandatory two-year stand-down period to be completed before those partners can next be engaged by TradeWindow.

UHY Haines Norton replaced KPMG on 9 January 2024.

**Recommendation 7.2**

**The external auditor should attend the issuer’s Annual Meeting to answer questions from shareholders in relation to the audit.**

UHY Haines Norton, as external auditor, shall be invited to the Company’s annual shareholders’ meeting, and will be available to answer any questions from shareholders in relation to the audit.

**Recommendation 7.3**

**Internal audit functions should be disclosed. TradeWindow does not have a dedicated internal auditor, instead, internal controls are managed on a day-to-day basis by the finance team.**

Compliance with key internal controls is reviewed annually by TradeWindow’s auditor. The Board and finance team regularly consider how TradeWindow can improve its internal audit and risk management practices including during risk reviews, preparation of interim and full-year financial statements and following TradeWindow’s annual audit.

**PRINCIPLE 8 – SHAREHOLDER RIGHTS & RELATIONS**

“The Board should respect the rights of shareholders and foster constructive relationships with shareholders that encourage them to engage with the issuer.”

**Recommendation 8.1**

**An issuer should have a website where investors and interested stakeholders can access financial and operational information and key corporate governance information about the issuer.**

The Investor Centre on our website is the primary information channel for shareholders. It includes:

- A share price feed, historical pricing and trading data;
- Announcements, disclosures, annual and interim reports, investor presentations, and other news;
- Corporate governance documents such as Charters and Policies, the Company Profile and this Corporate Governance Statement;
- Financial Reports;
- Annual meeting materials and recordings; and
- Share registry information.

In addition to the above, updates on our activities are posted on our social media channels (LinkedIn).

**Recommendation 8.2**

**An issuer should allow investors the ability to easily communicate with the issuer, including by designing its shareholder meeting arrangements to encourage participation and by providing shareholders the option to receive communications from the issuer electronically.**

TradeWindow has generally held virtual online meetings of shareholders to date to encourage participation.

Contact information for the investor relations team is on the contacts page of our website. We aim to respond to all enquiries in a timely manner.

Shareholders can elect to receive TradeWindow communications either electronically or via mail. Our share registry (Computershare) manages this process.

**Recommendation 8.3**

**Quoted equity security holders should have the right to vote on major decisions which may change the nature of the issuer in which they are invested.**

Our Constitution, the Companies Act 1993 and the NZX Listing Rules afford shareholders the right to vote on certain matters affecting TradeWindow.

TradeWindow has generally held virtual online meetings of shareholders to date. To the extent permitted by the Act, and the NZX Rules, the Board encourages shareholders to vote at such meetings by signifying their assent or dissent by electronic means (including, for the avoidance of doubt, voting on a personal computer, with such vote being transmitted to the meeting), instead of the shareholder voting by another method permitted by the Act or this Constitution. If a poll is taken, each shareholder attending virtually online has one vote per fully paid-up share they hold. In the event meetings of shareholders are held in person or in a hybrid format, shareholders attending in person can vote in person or by using a proxy or representative.

Postal votes are not permitted unless the Board notifies shareholders otherwise.

Further information on shareholder voting rights is set out in TradeWindow’s Constitution (available on the website)

**Recommendation 8.4**

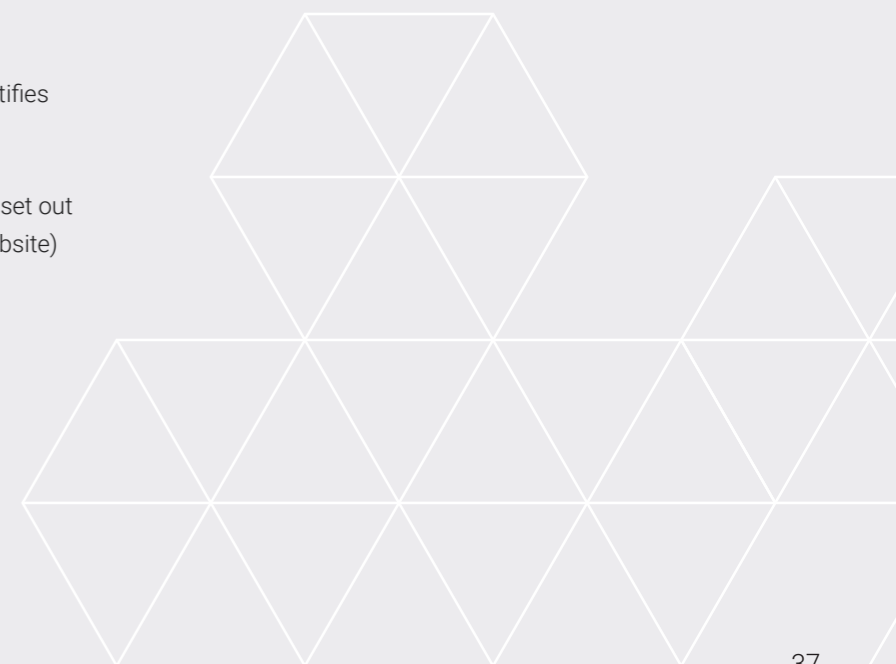
**If seeking additional equity capital, issuers of quoted equity securities should offer further equity securities to existing equity security holders of the same class on a pro rata basis, and on no less favourable terms, before further equity securities are offered to other investors.**

The Board is responsible for considering the interests of all existing equity holders when assessing their capital-raising options. TradeWindow raised \$500 thousand capital during the 2024 reporting period.

**Recommendation 8.5**

**The Board should ensure that the notices of annual or special meetings of quoted equity security holders are posted on the issuer’s website as soon as possible and at least 20 working days prior to the meeting.**

The Company will hold its annual meeting of Shareholders in August 2024. A Notice of Meeting will be issued at least 20 working days before the meeting. A recording of the meeting will be made available afterwards on the Investor Centre page of the Company’s website.



# Consolidated financial statements

For the year ended 31 March 2024

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# Directors' declaration

In the opinion of the Directors of Trade Window Holdings Limited, the financial statements and notes, on pages 43 to 107:

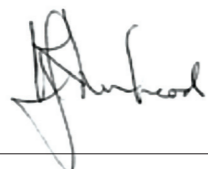
- comply with New Zealand generally accepted accounting practice and present fairly the financial position of the Group as at 31 March 2024 and the result of operations for the year ended on that date;
- have been prepared using the appropriate accounting policies, which have been consistently applied and supported by reasonable judgements and estimates.

The Directors believe that proper accounting records have been kept which enable, with reasonable accuracy, the determination of the financial position of the Group and facilitate compliance of the financial statements with the Financial Reporting Act 2013.

The Directors consider that they have taken adequate steps to safeguard the assets of the Group, and to prevent and detect fraud and other irregularities. Internal control procedures are also considered to be sufficient to provide reasonable assurance as to the integrity and reliability of the financial statements.

The board of Directors are pleased to present the financial statements of the Group for the year ended 31 March 2024.

Signed in accordance with a resolution of the Directors.



Alasdair MacLeod

27 June 2024

Date



AJ Smith

27 June 2024

Date

# Directory

**Incorporation Number** 8233653

**PRINCIPAL ACTIVITIES:**

Develop and commercialise technology solutions that provide international trade participants with a secure platform and tools to establish trust and trade globally in an efficient manner across interconnected networks

There have been no significant changes in the nature of these activities during the year ended 31 March 2024.

**REGISTERED OFFICE**

TradeWindow Company Secretary  
Suite 4, 31 Northcroft Street,  
Takapuna, Auckland, 0622,  
New Zealand

**DIRECTORS:**

Albertus Johannes Smith  
Kerry Michael Friend  
Philip John Norman  
Alasdair (Alexander) John MacLeod  
Diana Marie Puketapu (ceased on 31 October 2023)

The Directors were in office for the whole period unless otherwise stated.

**AUDITOR:**

UHY Haines Norton  
Level 9  
1 York Street  
Sydney  
NSW 2000

## Consolidated statement of comprehensive income

	Notes	2024 \$	2023 \$
Revenue	3.1	6,179,077	4,920,081
Other income	4	573,936	815,652
		<b>6,753,013</b>	<b>5,735,733</b>
Personnel and employee expense	5.1	(9,454,439)	(13,064,018)
Depreciation and amortisation		<b>(2,512,165)</b>	(2,411,844)
Other expenses	5.2	(3,924,875)	(4,361,577)
		<b>(9,138,466)</b>	<b>(14,101,706)</b>
Revaluation of contingent consideration	14	1,216,000	3,438,000
Net finance expense	6	(86,520)	(105,923)
<b>Loss before income tax</b>		<b>(8,008,986)</b>	<b>(10,769,629)</b>
Income tax	7	(4,629)	976,800
<b>Net loss after tax</b>		<b>(8,013,615)</b>	<b>(9,792,829)</b>
<b>Items that are or may be reclassified subsequently to profit or loss</b>			
Exchange differences on translating foreign operations		2,567	12,741
<b>Total comprehensive loss for the year</b>		<b>(8,011,048)</b>	<b>(9,780,088)</b>
<b>Earnings/(loss) per share</b>			
Basic earnings/(loss) per share \$	26	(0.07)	(0.10)
Diluted earnings/(loss) per share \$	26	(0.07)	(0.10)

The above information is to be read in conjunction with the notes to the consolidated financial statements.

# Consolidated statement of of financial position

Consolidated statement of financial position

ASSETS	NOTES	2024 \$	2023 \$
<b>Current Assets</b>			
Cash and cash equivalents	8.1	188,177	6,148,125
Trade and other receivables	9	968,172	1,730,107
Income tax receivable	7	4,995	51,252
Contract assets	3.2	30,239	92,458
		<b>1,191,583</b>	<b>8,021,942</b>
<b>Non-current assets</b>			
Trade and other receivables	9	51,457	120,218
Property, plant and equipment	10	66,546	244,433
Right of use assets	11	69,374	842,798
Intangible assets	12	11,368,319	13,202,921
Restricted cash	8.2	26,853	98,432
		<b>11,582,549</b>	<b>14,508,802</b>
<b>Total assets</b>		<b>12,774,132</b>	<b>22,530,744</b>

LIABILITIES	NOTES	2024 \$	2023 \$
<b>Current liabilities</b>			
Trade and other payables	13	1,365,898	2,060,247
Interest bearing loans and borrowings	15	58,100	529,580
Related party payables	17	4,076	2,513
Lease liabilities	11	78,994	551,598
Contingent consideration	14	-	1,039,000
Income Tax Payable	7	4,686	-
Contract liabilities	3.2	638,979	547,335
		<b>2,150,733</b>	<b>4,730,273</b>
<b>Non-current liabilities</b>			
Trade and other payables	13	-	64,067
Interest bearing loans and borrowings	15	1,383,029	1,264,885
Lease liabilities	11	-	321,700
Contingent consideration	14	-	177,000
		<b>1,383,029</b>	<b>1,827,652</b>
<b>Total liabilities</b>		<b>3,533,762</b>	<b>6,557,925</b>
<b>Net assets</b>		<b>9,240,370</b>	<b>15,972,819</b>

<b>EQUITY</b>	<b>NOTES</b>	<b>2024 \$</b>	<b>2023 \$</b>
Share capital	20	47,290,673	46,180,576
Retained earnings		(38,391,644)	(30,378,029)
Foreign currency translation reserve		(52,710)	(18,663)
Share based payments reserve		394,051	188,935
<b>Total equity</b>		<b>9,240,370</b>	<b>15,972,819</b>

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# Consolidated statement of changes in equity

	NOTES	ISSUED CAPITAL \$	RETAINED EARNINGS \$	FOREIGN CURRENCY TRANSLATION RESERVE \$	SHARE BASED PAYMENT RESERVE \$	TOTAL \$
<b>Balance at 1 April 2022</b>		<b>31,333,484</b>	<b>(20,585,200)</b>	<b>7,574</b>	<b>88,722</b>	<b>10,844,580</b>
<b>Comprehensive expense for the year</b>						
Loss for the year		-	(9,792,829)	-	-	(9,792,829)
Other comprehensive income/(expense)		-	-	12,741	-	12,741
		-	<b>(9,792,829)</b>	<b>12,741</b>	-	<b>(9,780,088)</b>
<b>Transactions with owners of the company</b>						
Issue of capital	20	14,689,831	-	-	-	14,689,831
Adjustment to foreign currency		-	-	(38,978)	-	(38,978)
Share options exercised	20	157,261	-	-	-	157,261
Equity-settled share based payments		-	-	-	100,213	100,213
		<b>14,847,092</b>	-	<b>(38,978)</b>	<b>100,213</b>	<b>14,908,327</b>
<b>Balance at 31 March 2023</b>		<b>46,180,576</b>	<b>(30,378,029)</b>	<b>(18,663)</b>	<b>188,935</b>	<b>15,972,819</b>

## Consolidated statement of changes in equity

	NOTES	ISSUED CAPITAL \$	RETAINED EARNINGS \$	FOREIGN CURRENCY TRANSLATION RESERVE \$	SHARE BASED PAYMENT RESERVE \$	TOTAL \$
<b>Balance at 1 April 2023</b>		<b>46,180,576</b>	<b>(30,378,029)</b>	<b>(18,663)</b>	<b>188,935</b>	<b>15,972,819</b>
<b>Comprehensive expense for the year</b>						
Loss for the year		-	(8,013,615)	-	-	(8,013,615)
Other comprehensive income		-	-	2,567	-	2,567
		-	<b>(8,013,615)</b>	<b>2,567</b>	-	<b>(8,011,048)</b>
<b>Transactions with owners of the company</b>						
Issue of capital	20	791,506	-	-	-	791,506
Adjustment to foreign currency		-	-	(36,614)	-	(36,614)
Share options exercised	20	318,591	-	-	-	318,591
Equity-settled share based payments		-	-	-	205,116	205,116
		<b>1,110,097</b>	-	<b>(36,614)</b>	<b>205,116</b>	<b>1,278,599</b>
<b>Balance at 31 March 2024</b>		<b>47,290,673</b>	<b>(38,391,644)</b>	<b>(52,710)</b>	<b>394,051</b>	<b>9,240,370</b>

# Consolidated statement of cash flows

OPERATING ACTIVITIES	NOTES	2024	2023 \$
Cash received from customers		7,138,177	4,857,294
Cash paid to suppliers and employees		(13,994,881)	(16,949,307)
Income tax received		46,244	514,993
Grant income and other income		1,056,538	744,260
<b>Net cash used in operating activities</b>	28	<b>(5,753,922)</b>	<b>(10,832,760)</b>
<b>INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		(12,131)	(147,842)
Proceeds from sale plant and equipment		8,742	24,489
Business acquisition	19	-	(2,500,000)
Interest received	6	80,017	114,229
<b>Net cash used in investing activities</b>		<b>76,628</b>	<b>(2,509,124)</b>

## Consolidated statement of cash flows

FINANCING ACTIVITIES	NOTES	2024 \$	2023 \$
Interest paid on lease liability	6,11	(25,991)	(59,094)
Proceeds from/(repayment) of share capital		500,000	14,735,324
Repayment of borrowings		(357,741)	(468,256)
Payments for lease liability - principal portion	11	(273,271)	(509,771)
Proceeds/(repayments) from exercise of share options		56	218
Interest paid		(125,707)	(140,970)
<b>Net cash flows from financing activities</b>		<b>(282,654)</b>	<b>13,557,451</b>
<b>Net change in cash and cash equivalents</b>		<b>(5,959,948)</b>	<b>215,567</b>
Cash and cash equivalents at the beginning of the financial year		6,148,125	5,932,558
<b>Cash and cash equivalents at the end of the financial year</b>	8.1	<b>188,177</b>	<b>6,148,125</b>

# Notes to the consolidated financial statements

For the year ended 31 March 2024

## 1 General information and statement of compliance

Trade Window Holdings Limited is a profit orientated entity.

Trade Window Holdings Limited is incorporated and domiciled in New Zealand and is a company registered under the Companies Act 1993.

Consolidated financial statements for the Group are presented. The consolidated financial statements of Trade Window Holdings Limited (Company) as at and for the year ended 31 March 2024 comprise of the Company and its subsidiaries (together referred to as the Group and individually as subsidiaries).

Trade Window Holdings Limited was incorporated on 10 September 2021 for the purpose of being the holding company for Trade Window Limited. Prior to Trade Window Holdings Limited's incorporation, the Group comprised of Trade Window Limited and its subsidiaries.

The subsidiaries are set out in Note 18.

The principal activities of the Group during the year were developing and commercialising technology solutions that provide international trade participants with a secure platform and tools to establish trust and trade globally in an efficient manner across interconnected networks.

### Basis of preparation

These financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ('NZ GAAP'). They comply with the New Zealand Equivalents to International Financial Reporting Standards and other applicable Financial Reporting Standards, as appropriate for Tier 1 for-profit entities. The consolidated financial statements of the Group also comply with International Financial Reporting Standards (IFRS). The financial statements were authorised for issue by the directors on the date included on page 1.

The Group is a reporting entity for the purposes of the Financial Reporting Act 2013 and its financial statements comply with that Act.

### Accounting policies

The accounting policies set out below have been consistently applied to all periods presented in these financial statements. Where applicable, certain comparatives have been reclassified to comply with the accounting presentation adopted in the current year to ensure consistency with the current year classification.

### Basis of measurement

The financial statements have been prepared on the historical cost basis.

These financial statements are presented in New Zealand dollars (\$) which is the Company's functional currency, rounded to the nearest dollar. They have been prepared on a GST exclusive basis except for receivables and payables that are stated inclusive of GST.

### New accounting standards and interpretations

No new standards have been issued for the period ended 31 March 2024 that materially impact the Group.

### New accounting standards and interpretations issued but not yet effective

At the date of authorisation of these consolidated financial statements, there are no new accounting standards or interpretations issued but not yet adopted that are expected to have a material impact on the Group.

### Changes in accounting policies and disclosures

The Group has applied the following standards and amendments for the first time for the reporting period commencing 1 January 2023:

- Amendments to NZ IAS 1 – Disclosure of Accounting Policies  
Replaces all instances of the term ‘significant accounting policies’ with ‘material accounting policy information’. The application of the amendments did not have a material impact on the Group financial statements but has changed the disclosure of accounting policy information in the financial statements.

### Use of estimates and judgements

The preparation of the financial statements in conformity with NZ IFRS and IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The principal areas of judgement in preparing these financial statements are set out below. Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Note 1 Going concern, in determining whether the Group is a going concern.
- Note 3.1 Revenue, in determining the revenue recognition of implementation revenue.
- Note 11 Leases, on determining whether a contract contains a lease, lease terms, incremental borrowing rate and lease renewal options.

- Note 14 Contingent consideration, in determining the projected revenues for the target periods, forecast share price at completion dates and settlement.
- Note 19 Business acquisitions, in determining the fair value of the consideration transferred, and fair value of the assets acquired (including intangibles and goodwill) and liabilities assumed.
- Note 22 Share-based payments, in determining the probability of the share price achieving the vesting hurdle and the rate of employee attrition.

### Going concern

The Group prepares its financial statements on a going concern basis and expects to be able to realise its assets and meet its financial obligations in the normal course of business.

The Group is an early-stage organisation that has been investing in the development of a Global Trade Platform and as such has reported a loss for the year ended 31 March 2024 of \$8 million (31 March 2023 \$9.8 million), and operating cash outflows of \$5.8 million (31 March 2023 \$10.8 million).

As at 31 March 2024, the Group held Cash and cash equivalents of \$0.2 million (31 March 2023 \$6.1 million). In response to continued negative global macro-economic conditions, scarce capital and the cancelled investment by strategic investor during the period, the Group initiated significant costs reductions across the business through undertaking a further reorganisation and pausing innovation and development investment, shifting focus to growing revenues from core profitable products which can provide a pathway to EBITDA breakeven.

Since balance date the Group has successfully raised \$2.2 million equity capital which has been budgeted to provide a pathway to monthly EBITDA breakeven by the end of FY25. No additional funding is required under the financial forecasts, however as announced on 17 April 2024, the Group has also

been offered a term sheet from an alternative debt lender which could provide up to \$1.0 million net of existing debt repayments, which would provide additional certainty of cash resources if the offer is taken up.

The Board-approved financial forecasts for FY25 and FY26 project sufficient cash available to satisfy all financial obligations which arise in the next 14 months from 31 March 2024. The forecast cash flows are dependent on the key assumptions outlined below.

#### a. Achievement of targeted revenue growth.

On 26 March 2024 the Group advised that it expects revenue for FY25 to range between \$7.3 million to \$8.3 million. This represents an increase of between 18% to 34% on the prior year. As reported in these financial statements, the revenue for FY24 of \$6.2 million represents an increase of 27% over FY23. New customers already onboarded or currently in the onboarding process are expected to provide the bulk of the increase in FY25.

#### b. Successful operation of cost-reduced business.

Salary and operating expenditure is projected to reduce by approximately 30% (excluding transition costs). During the year ended 31 March 2024 the Board and Management have implemented a plan to reduce costs and cash usage to a more sustainable level by reducing headcount and reducing costs. The savings are predominantly from redundancies in Research and Development and will not impact the Group’s ability to continue to serve its current and future customers, meet market demand and generate revenue from existing solutions.

#### c. Compliance with ASB loan covenants.

Effective 25 March 2024, various terms of the ASB loan facility were amended including removing the cash cover covenant, extending the loan amortisation/repayment relief to 31 March 2025 and introducing a new

revenue covenant. A breach of these undertaking could result in acceleration of remaining outstanding loan balance. As at 31 March 2024 this balance was \$1.0m.

#### d. Shortfall payment to the Rfider vendors.

A shortfall payment is potentially required in accordance with the Rfider purchase agreement due to a reduction in the Group’s share price subsequent to the transaction taking place. The contingent consideration component of the purchase price, to which the shortfall payment is tied, is tested against specified revenue targets. The revenue earned to date and forecast, does not meet these targets and the requirement for any contingent consideration, and therefore a shortfall payment, is expected to fall away.

The forecast’s assumptions have been stress tested against a range of scenarios including material reduction in new business revenue without commensurate cost cutting, which demonstrates that while the cashflow forecast is sensitive to changes in key growth assumptions, the Group will have adequate cash resources without needing to resort to further capital raising.

Should the Group be unable to achieve the forecast cash flows mentioned above, the Group may have insufficient liquid assets to be able to continue as a going concern for a period of at least 12 months from the issuance of these financials statements. Therefore, material uncertainty exists that may cast significant doubt on the Group’s ability to continue as a going concern and therefore that the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Directors consider the Group to be a going concern and believe the Group will achieve its financial forecasts to the extent necessary to ensure the Group will have sufficient liquidity to continue as a going concern and meet its financial obligations for the foreseeable future.

## 2 Material accounting policy information

### Basis of consolidation

#### *Business combinations*

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Groups determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The consideration transferred in the acquisition is generally measured at fair value, as are the identified net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain at a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

#### *Subsidiaries*

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests

and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

#### *Transactions eliminated on consolidation*

Intra company (refer to Note 18) balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains and losses) arising from intra-group transactions, are eliminated.

### Foreign currency

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

The foreign currency translation reserve arises from the translation of the Group's overseas operations into the presentation currency of these financial statements.

### Impairment

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill

and indefinite-lived intangible assets are tested annually for impairment.

An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. The Group has adopted the Value in Use method (previously Fair value less cost of disposal).

Subject to an operating segment ceiling test, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

## 3.1 Revenue

The Group generates revenue primarily from customers subscribing to and utilising its software platforms. In the following table, revenue from contracts with customers is disaggregated by primary nature and timing of revenue recognition.

Revenue	2024 \$	2023 \$
Transactional revenue	2,970,783	2,332,065
Subscription revenue	2,815,492	2,077,202
Service revenue	269,018	205,970
Installation revenue	123,784	304,844
<b>Total revenue</b>	<b>6,179,077</b>	<b>4,920,081</b>

### Revenue policy

Revenue is measured based on the consideration specified in the contract with a customer. The Group recognises revenue when it transfers control of a good or service to a customer. Revenue is disclosed net of credit notes and discounts. Unbilled revenue at year end is recognised as contract asset and any unearned revenue at year end is recognised as contract liabilities. See table 3.2 for details of contract assets and liabilities at year end.

#### *Transactional revenue*

Transactional revenue is recorded at the time the transactions are processed by the customer using the Group's software platforms. Transaction revenue is based on volume of usage and is recognised at a point in time. Customers are mainly invoiced monthly and have payment terms of up to 30-days.

#### *Subscription revenue*

Subscription revenue comprises recurring monthly fees from customers who have subscribed to the Group's software platforms. The fee provides the customer with access to the various software platforms, regular software updates and customer support services. Subscription revenue is invoiced either in advance or monthly in arrears, depending on the software product. Subscription revenue is recognised over time as the services are used or delivered to the customer. Customers are mainly invoiced monthly and have payment terms of up to 30-days.

#### *Service revenue*

Service revenue relates to ad-hoc customer support services outside of the scope of the standard support agreement. The services are mainly for customer support to customers who request non-standard customisation or assistance with a specific project. Service revenue is recognised over time as the service is delivered to the customer, these range from a few hours to a week. Customers are mainly invoiced monthly and have payment terms of up to 30-days.

#### *Installation revenue*

Installation revenue comprises of one-off installation, software customisation and user training services. The Group has assessed that installation is a separate performance obligation for certain products, and all the activities are considered as one performance obligation which is satisfied over the term of the contract as the customer simultaneously receives and consumes the benefits provided to them. After the software is installed, the customers subscribe to ongoing maintenance and support services to ensure that the software is regularly maintained by the Group. The Group uses the output method of measuring progress of installation as it fairly depicts the entity's performance towards complete satisfaction of the performance condition. Majority of customers are invoiced in advance and then on milestone completion. Payment terms are up to 30-days from invoice date.

## 3.2 Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

	2024 \$	2023 \$
Receivables, which are included in "Trade and other receivables"	693,117	641,871
Contract assets	30,239	92,458
Contract liabilities	(638,979)	(547,335)
	<b>84,377</b>	<b>186,994</b>

The contract liabilities primarily relate to advance consideration the Group received from customers for installation and for subscribing to its software platforms, for which revenue is recognised over time.

The contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date. Contract assets are assessed for impairment under the requirements in the financial instruments standard. Any unconditional rights to consideration are presented separately as a receivable.

Information about remaining performance obligation has not been provided as these have an expected duration of less than 12 months.



## 4 Other income

	2024 \$	2023 \$
Profit on sale of fixed assets	40,573	10,643
Grant income	309,750	804,885
Other	223,613	124
<b>Total other income</b>	<b>573,936</b>	<b>815,652</b>

### Grant income

The Group is eligible for the IRD's Research & Development Tax Incentive (RDTI) scheme which allows for a 15% tax credit for eligible R&D expenditure not claimed under any other scheme.

In the prior period the Group was entitled to the Government's R&D project grant scheme which made it eligible to a percentage reimbursement of project related costs through Callaghan Innovation. The grant was recognised as income when it became highly probable.

In the prior period the Group was entitled to NZTE's International Growth Fund Grant to assist with acceleration of growth in the Australian market. This Grant allowed for reimbursement of up to 50% of actual costs incurred in carrying out pre-approved growth projects in Australia.

### Other

Other income includes a settlement payment resulting from the cancellation of a strategic partnership agreement.

## 5.1 Personnel and employee expense

	2024 \$	2023 \$
Short term employee benefits (salaries)	7,153,095	10,457,929
Post-employment benefits (superannuation)	251,073	360,356
Contracted resources	1,179,644	1,107,597
Other employee benefits	870,627	1,138,136
<b>Total personnel and employee expense</b>	<b>9,454,439</b>	<b>13,064,018</b>

## 5.2 Other expenses include the following:

	2024 \$	2023 \$
The following fees were paid or payable for services provided by the auditor		
- Fees relating to the audit	124,000	210,000
Directors fees	201,375	254,533
Bad debts written off	7,978	87

## 6 Net finance expense

	2024 \$	2023 \$
Interest income	80,017	114,229
Interest expense	(140,546)	(161,058)
Interest on lease liabilities	(25,991)	(59,094)
<b>Total net finance expense</b>	<b>(86,520)</b>	<b>(105,923)</b>

### Finance income and expenses policy

Finance income comprises interest income on funds invested using the effective interest method. Finance costs comprise interest expense on borrowings and interest on lease liabilities.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

## 7 Income tax

<b>Tax expense</b>	<b>2024 \$</b>	<b>2023 \$</b>
Loss before income tax	(8,008,986)	(10,769,629)
Domestic tax rate (28%)	28%	28%
<b>Expected income tax</b>	<b>(2,242,516)</b>	<b>(3,015,496)</b>
Non-deductible expenses	242,392	(1,057,852)
Non-assessable income	(490,284)	-
Recognition of tax losses previously unrecognised	-	(976,800)
Deferred tax not recognised in current tax year	2,491,631	4,038,810
Effect of different tax rates	3,406	34,538
<b>Actual income tax expense/(income)</b>	<b>4,629</b>	<b>(976,800)</b>
<b>Income tax expense/(income) is represented by:</b>		
Current tax	4,629	-
Deferred tax	-	(976,800)
	<b>4,629</b>	<b>(976,800)</b>

The current tax asset of \$4,995 (2023: \$51,252) represents the amount of New Zealand income taxes receivable in respect of the current period. The current tax liability of \$4,686 (2023: \$Nil) represents the amount of Phillipines income taxes payable in respect of the current period.

Note 7 – Income tax

### Deferred tax assets and liabilities

The table below shows the movement in the deferred tax balances that are recognised at the beginning and end of the period.

#### Recognised Deferred Tax Assets and Liabilities

<b>FY2024</b>	<b>Opening \$</b>	<b>Recognised in profit or loss \$</b>	<b>Business Acquisitions \$</b>	<b>Closing \$</b>
Intangibles and Property, plant and equipment	(1,204,249)	253,876	-	(950,373)
ESOP	52,902	(52,902)	-	-
Leases	8,540	(5,847)	-	2,693
Accruals and Employee Benefits	128,127	5,760	-	133,887
Net Taxable Loss	1,014,680	(200,887)	-	813,793
	-	-	-	-

<b>FY2023</b>	<b>Opening \$</b>	<b>Recognised in profit or loss \$</b>	<b>Business Acquisitions \$</b>	<b>Closing \$</b>
Intangibles and Property, plant and equipment	(422,916)	195,467	(976,800)	(1,204,249)
ESOP	(452,745)	505,647	-	52,902
Leases	(506,967)	515,507	-	8,540
Accruals and Employee Benefits	135,608	(7,481)	-	128,127
Net Taxable Loss	1,247,020	(232,340)	-	1,014,680
	-	<b>976,800</b>	<b>(976,800)</b>	-

The Group has \$36,267,332 (2023: \$31,188,839) of tax losses for which no deferred tax asset has been recognised in the statement of financial position as it is not probable that the Group will be achieving sufficient taxable profits in the foreseeable future. The current year tax loss is subject to Inland Revenue assessment.

### Income tax policy

Tax expense comprises current and deferred tax and is calculated using rates enacted or substantively enacted at balance date. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case the tax is recognised as an adjustment against the item to which it relates.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised on the initial recognition of goodwill. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

## 8.1 Cash and cash equivalents

	2024 \$	2023 \$
Bank accounts	188,177	6,148,125
<b>Total cash and cash equivalents</b>	<b>188,177</b>	<b>6,148,125</b>

The bank accounts include cash balances held with ASB Bank Limited of \$82,280 (2023: \$5,927,007), which is a related party. Bank balances are also held with the Commonwealth Bank of Australia, the parent company of ASB Bank Limited, of \$95,889 (2023: \$173,261). The Group also had an undrawn overdraft facility with ASB Bank limited to a maximum of \$150,000. The interest rate at balance date was 10.88% (2023: 9.98%) per annum.

### Cash and cash equivalents policy

Cash and cash equivalents comprises cash balances and call deposits used by the Group in the management of its short-term commitments.

## 8.2 Restricted cash

Restricted cash is comprised of cash balances held with Commonwealth Bank Australia of \$26,853 (2023: \$98,432), that is held as a rent guarantee over one of the leases.

## 9 Trade and other receivables

	2024 \$	2023 \$
<b>Current</b>		
Trade receivables	693,117	641,871
Less: Provision for doubtful debts	(46,801)	(6,571)
	<b>646,316</b>	<b>635,300</b>
Other receivables	642	518,031
Prepayments	321,214	576,776
	<b>968,172</b>	<b>1,730,107</b>
<b>Non-Current</b>		
Prepayments	51,457	120,218
	<b>51,457</b>	<b>120,218</b>
<b>Total trade and other receivables</b>	<b>1,019,629</b>	<b>1,850,325</b>

Bad debt expense of \$7,978 (2023: \$87) has been recorded within other expenses in the statement of comprehensive income.

### Trade and other receivables policy

Trade and other receivables (unless it is a trade receivable without a significant financing component) is initially recognised at fair value plus transaction costs. A trade receivable without a significant financing component is initially measured at the transaction price. It is then subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. Impairment is calculated based on an expected credit loss (ECL) model under NZ IFRS 9. Refer to Note 16 for information about calculation and recognition of expected credit losses. The amount of the provision is recognised in profit or loss. During the year, provision for impairment totalling \$38,681 (2023: \$6,571) has been recognised.

## 10 Property, plant and equipment

FY2024	Leasehold improvements \$	Motor vehicles \$	Furniture and fittings \$	Plant and equipment \$	Total \$
Opening balance	58,684	9,556	78,394	427,863	574,497
Effects of movements in exchange rates	332	-	536	307	1,175
Additions	-	-	-	7,949	7,949
Disposals	-	(9,556)	-	(12,629)	(22,185)
<b>Total property, plant and equipment at cost</b>	<b>59,016</b>	<b>-</b>	<b>78,930</b>	<b>423,490</b>	<b>561,436</b>

### Accumulated depreciation

Opening balance	28,883	7,024	13,539	280,618	330,064
Effects of movements in exchange rates	88	-	536	154	778
Disposals	-	(8,864)	-	(9,451)	(18,315)
Depreciation expense	29,805	1,840	40,024	110,694	182,363
<b>Total accumulated depreciation</b>	<b>58,776</b>	<b>-</b>	<b>54,099</b>	<b>382,015</b>	<b>494,890</b>

### Summary

Net carrying amount at 31 March 2023	29,801	2,532	64,855	147,245	244,433
<b>Net carrying amount at 31 March 2024</b>	<b>240</b>	<b>-</b>	<b>24,831</b>	<b>41,475</b>	<b>66,546</b>

<b>FY2023</b>	<b>Leasehold improvements</b> \$	<b>Motor vehicles</b> \$	<b>Furniture and fittings</b> \$	<b>Plant and equipment</b> \$	<b>Total</b> \$
Opening balance	39,208	37,904	60,486	363,150	500,748
Additions	19,476	-	17,908	119,674	157,058
Additions through business acquisition	-	-	-	4,800	4,800
Disposals	-	(28,348)	-	(59,761)	(88,109)
<b>Total property, plant and equipment at cost</b>	<b>58,684</b>	<b>9,556</b>	<b>78,394</b>	<b>427,863</b>	<b>574,497</b>
<b>Accumulated depreciation</b>					
Opening balance	10,698	19,004	5,411	187,743	222,856
Disposals	-	(15,573)	-	(49,919)	(65,492)
Depreciation expense	18,185	3,593	8,128	142,794	172,700
<b>Total accumulated depreciation</b>	<b>28,883</b>	<b>7,024</b>	<b>13,539</b>	<b>280,618</b>	<b>330,064</b>
<b>Summary</b>					
Net carrying amount at 31 March 2022	28,510	18,900	55,075	175,407	277,892
<b>Net carrying amount at 31 March 2023</b>	<b>29,801</b>	<b>2,532</b>	<b>64,855</b>	<b>147,245</b>	<b>244,433</b>

## Property, plant and equipment policy

### Recognition and measurement

All property, plant and equipment is measured at cost less accumulated depreciation and accumulated impairment losses.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss within other income or other expenses.

### Depreciation

For property, plant and equipment, depreciation is based on the cost of an asset less its residual value.

Depreciation is recognised in profit or loss on a straight line basis over the estimated useful lives of each component of an item of property, plant and equipment.

The depreciation rates for significant items of property, plant and equipment are as follows:

Leasehold improvements	20.00% - 33.30%
Motor vehicles	21.00%
Furniture and fittings	10.50%
Plant and equipment	30.00% - 67.00%

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

### Impairment

The carrying amounts of property, plant and equipment are reviewed at each balance date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses directly reduce the carrying amount of the assets and are recognised in profit or loss.

There was no impairment of assets recognised for during the year.

# 11 Leases

Right of use assets	Buildings \$	Total \$
<b>FY2024</b>		
Opening balance	1,784,505	1,784,505
Disposals	(544,957)	(544,957)
Effects of movements in exchange rates	9,190	9,190
<b>Total Right of use assets at Cost</b>	<b>1,248,738</b>	<b>1,248,738</b>
<b>Accumulated amortisation</b>		
Opening balance	941,707	941,707
Disposals	(261,125)	(261,125)
Amortisation expense	495,719	495,719
Effects of movements in exchange rates	3,063	3,063
<b>Total accumulated amortisation</b>	<b>1,179,364</b>	<b>1,179,364</b>
<b>Summary</b>		
Net carrying amount at 31 March 2023	842,798	842,798
<b>Net carrying amount at 31 March 2024</b>	<b>69,374</b>	<b>69,374</b>

Note 11 – Leases

Right of use assets	Buildings \$	Total \$
<b>FY2023</b>		
Opening balance	1,787,046	1,787,046
Effects of movements in exchange rates	(2,541)	(2,541)
<b>Total Right of use assets at Cost</b>	<b>1,784,505</b>	<b>1,784,505</b>
<b>Accumulated amortisation</b>		
Opening balance	391,731	391,731
Amortisation expense	553,542	553,542
Effects of movements in exchange rates	(3,566)	(3,566)
<b>Total accumulated amortisation</b>	<b>941,707</b>	<b>941,707</b>
<b>Summary</b>		
Net carrying amount at 31 March 2022	1,395,315	1,395,315
<b>Net carrying amount at 31 March 2023</b>	<b>842,798</b>	<b>842,798</b>
<b>Lease liabilities</b>		
	<b>2024 \$</b>	<b>2023 \$</b>
Lease liability (current)	78,994	551,598
Lease liability (non-current)	-	321,700
<b>Total lease liabilities</b>	<b>78,994</b>	<b>873,298</b>

## Leases policy

### Recognition and measurement

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;

- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases for low-value assets. Lease payments on these assets are expensed to the profit or loss as incurred.

The table below describes the nature of the Group's leasing activities by type of right-of-use asset recognised in the consolidated statement of financial position:

Right of use asset	Buildings
No. of right of use assets leased	1
Range of remaining terms in months	2
Average remaining term in months	2
No. of leases with options to purchase	-
No. of leases with termination options	-

Future lease payments were as follows.	2024 \$	2023 \$
Within 1 year	78,994	551,598
1-2 years	-	214,322
2-3 years	-	107,378
3-5 years	-	-
Over 5 years	-	-
<b>Total future lease payments</b>	<b>78,994</b>	<b>873,298</b>

### Impairment

The Right of use asset is regularly assessed for impairment.

Amounts recognised in statement of comprehensive income	2024 \$	2023 \$
Interest on lease liabilities	25,991	59,094
Depreciation on right of use assets	495,719	553,542
Variable lease payments	125,959	120,980
Short term lease expenses	102,221	75,995
<b>Amounts recognised in statement of cash flow</b>	<b>2024 \$</b>	<b>2023 \$</b>
Interest on lease liabilities	25,991	59,094
Principal lease payments	273,271	509,771

## 12 Intangible assets

Note 12 – Intangible assets

FY2024	Software \$	Customer relationships \$	Goodwill \$	Total \$
Opening balance	8,860,557	456,016	7,615,761	16,932,334
<b>Total Intangible assets at Cost</b>	<b>8,860,557</b>	<b>456,016</b>	<b>7,615,761</b>	<b>16,932,334</b>
<b>Accumulated amortisation</b>				
Opening balance	3,581,207	148,206	-	3,729,413
Amortisation expense	1,789,000	45,602	-	1,834,602
<b>Total accumulated amortisation</b>	<b>5,370,207</b>	<b>193,808</b>	<b>-</b>	<b>5,564,015</b>
<b>Summary</b>				
Net carrying amount at 31 March 2023	5,279,350	307,810	7,615,761	13,202,921
<b>Net carrying amount at 31 March 2024</b>	<b>3,490,350</b>	<b>262,208</b>	<b>7,615,761</b>	<b>11,368,319</b>

FY2023	Software \$	Customer relationships \$	Goodwill \$	Total \$
Opening balance	5,880,557	456,016	2,469,761	8,806,334
Additions through business acquisition	2,980,000	-	5,146,000	8,126,000
<b>Total Intangible assets at Cost</b>	<b>8,860,557</b>	<b>456,016</b>	<b>7,615,761</b>	<b>16,932,334</b>
<b>Accumulated amortisation</b>				
Opening balance	1,941,207	102,604	-	2,043,811
Amortisation expense	1,640,000	45,602	-	1,685,602
<b>Total accumulated amortisation</b>	<b>3,581,207</b>	<b>148,206</b>	<b>-</b>	<b>3,729,413</b>
<b>Summary</b>				
Net carrying amount at 31 March 2022	3,939,350	353,412	2,469,761	6,762,523
<b>Net carrying amount at 31 March 2023</b>	<b>5,279,350</b>	<b>307,810</b>	<b>7,615,761</b>	<b>13,202,921</b>

### Intangible assets policy

#### Recognition and policy

Goodwill is measured at cost less accumulated impairment losses.

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

#### Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands is recognised in profit or loss as incurred.

#### Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual value using the straight-line method over their estimated useful lives, and is recognised in profit or loss. Goodwill is not amortised.

The estimated useful lives for current and comparative periods are as follows:

Software	1 - 5 years	0 - 3 years
Customer relationships	10 years	6 years

### Impairment

The Group tests whether goodwill has suffered any impairment on an annual basis. No impairment on the carrying amount of goodwill has been recognised during the financial year (2023: \$Nil).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. The Group has adopted the Value in Use method (previously Fair value less cost of disposal).

In assessing Value in Use, estimated future cash flows are discounted to their present value using a pre-tax discount rate of 20% that reflects current market assessments of the time value of money and the risk specific to the asset.

Future cashflows are based on five-year projections for the Group, which included the Board approved budget for the year to 31 March 2025. The forecast financial information is based on both past experience and future expectations of operating performance and requires judgements to be made as to the revenue growth, operating cost projections and the market environment. Revenue is projected to grow at a compound average growth rate of 21% for the first 5 years. Actual results may be substantially different. The terminal growth rate assumed is 2.5% which does not exceed the longterm average growth rate for the market in which the Group operates.

Management believes that any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the carrying amount to exceed its recoverable amount.

## 13 Trade and other payables

	2024 \$	2023 \$
<b>Current</b>		
Trade payables	256,176	354,716
Sundry payables	253,072	315,193
Accruals	422,217	653,058
Employee benefits	434,433	737,280
	<b>1,365,898</b>	<b>2,060,247</b>
<b>Non-current</b>		
Accruals	-	64,067
<b>Total trade and other payables</b>	<b>1,365,898</b>	<b>2,124,314</b>

### Trade and other payables policy

Trade and other payables are measured at amortised cost. These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

### Employee benefits policy

Short-term employee benefits obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid for outstanding annual leave balances if the Group has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee and the obligation can be estimated reliably.

## 14 Contingent consideration

	2024 \$	2023 \$
<b>Current</b>		
Balance 1 April	1,039,000	-
Contingent consideration arising on business acquisitions	-	2,347,000
Revaluation of Contingent consideration	(1,039,000)	(1,308,000)
	<b>-</b>	<b>1,039,000</b>
<b>Non-current</b>		
Balance 1 April	177,000	-
Contingent consideration arising on business acquisitions	-	2,307,000
Revaluation of Contingent consideration	(177,000)	(2,130,000)
		<b>177,000</b>
<b>Balance at 31 March</b>	<b>-</b>	<b>1,216,000</b>

Refer to Note 19 for additional details of the acquisition relating to this contingent consideration.

The contingent consideration is tested against specified revenue targets. The revenue earned to date and forecast, does not meet these targets and the requirement for any contingent consideration payment is expected to fall away, and has been revalued to \$Nil.

### Contingent consideration policy

Contingent considerations are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from the Group and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. They are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the

reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Contingent considerations are discounted to their present values, where the time value of money is material.

## 15 Interest bearing loans and borrowings

	2024 \$	2023 \$
<b>Current</b>		
ASB term loan	-	495,884
Callaghan R&D loan	58,100	33,696
	<b>58,100</b>	<b>529,580</b>
<b>Non-current</b>		
ASB term loan	1,038,303	866,921
Callaghan R&D loan	344,726	397,964
	<b>1,383,029</b>	<b>1,264,885</b>
<b>Total interest bearing loans and borrowings</b>	<b>1,441,129</b>	<b>1,794,465</b>

Terms and repayment schedule	Currency	Interest rate	Maturity date		
ASB term loan	NZD	10.39%	30 October 2026	1,038,303	1,362,805
Callaghan R&D loan	NZD	3%	13 August 2030	402,826	431,660
				<b>1,441,129</b>	<b>1,794,465</b>

The face value and carrying value of the loans are the same.

At balance date, the Company has met all its covenants. During the year the Company reported a breach of one of its covenants. Subsequently the Group and the ASB Bank have worked together to restructure the loan facility.

The ASB loan is secured over the assets of TradeWindow Services Limited together with an unlimited guarantee and indemnity from Trade Window Limited.

On 13 August 2020, the Company received an R&D loan of \$400,000 from Callaghan Innovation as assistance for the economic impacts of COVID19 on the business. The loan balance at 31 March 2024 was \$402,826 which included an interest accrual of 3% (2023: \$431,660).

### Interest bearing loans and liabilities policy

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between proceeds (net of transaction costs) and the redemption amount is recognised in the statement of comprehensive income over the period of the borrowing using the effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. right to defer settlement of the liability for at least 12 months after the reporting date.

## 16 Financial instruments classification and risk management

The Group's overall financial risk management programme focuses primarily on maintaining a financial risk profile that provides flexibility to implement the Group's strategies, while optimising return on assets. Financial risk management is centralised, which supports compliance with the financial risk management policies and procedures set by the Board.

Financial instruments are recognised in the statement of financial position when the Group becomes party to a financial contract. They include cash and cash equivalents, trade and other receivables, trade and other payables, interest bearing loans and borrowings, lease liabilities and related party payables.

All financial assets and liabilities (except for trade receivables that do not contain a significant financing component) are initially measured at fair value, adjusted for transaction costs (where applicable). Trade receivables without a significant financing component are initially measured at the transaction price in accordance with the recognition of revenue.

Financial assets and liabilities are classified into the following categories:

### *Financial assets held at amortised cost*

A financial asset is measured at amortised cost if it meets both of the following conditions, and is not designated as at fair value through profit or loss (FVTPL):

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the amounts outstanding.

Financial assets at amortised cost are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial assets held at amortised cost comprise: cash and cash equivalents and trade and other receivables.

### *Financial liabilities held at amortised cost*

Financial liabilities not designated as at FVTPL on initial recognition are classified as at amortised cost. Financial liabilities at amortised cost are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities held at amortised cost comprise: trade and other payables, interest bearing loans and borrowings, lease liabilities, and related party payables.

### *Impairment - financial assets*

The Group recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

The Group makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

### Derecognition

#### Financial Assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right to

receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

#### Financial liabilities

The Group derecognises a financial liability when the contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

The Group holds the following financial assets and liabilities, the table below shows their carrying amount and measurement basis.

<b>FY2024</b>	<b>Amortised cost</b>	<b>Other amortised cost</b>	<b>FVTPL</b>
<b>Financial assets</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Cash and cash equivalents	188,177	-	-
Trade and other receivables	646,958	-	-
Restricted cash	2 6,853	-	-
	<b>861,988</b>	<b>-</b>	<b>-</b>

#### Financial liabilities

Trade and other payables	-	1,365,898	-
Interest bearing loans and borrowings	-	1,441,129	-
Related party payables	-	4,076	-
Lease liabilities	-	78,994	-
	-	<b>2,890,097</b>	-

<b>FY2023</b>	<b>Amortised cost</b>	<b>Other amortised cost</b>	<b>FVTPL</b>
<b>Financial assets</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Cash and cash equivalents	6,148,125	-	-
Trade and other receivables	1,153,331	-	-
Restricted cash	98,432	-	-
	<b>7,399,888</b>	<b>-</b>	<b>-</b>

#### Financial liabilities

Trade and other payables	-	2,124,314	-
Interest bearing loans and borrowings	-	1,794,465	-
Related party payables	-	2,513	-
Lease liabilities	-	873,298	-
Contingent consideration	-	-	1,216,000
	-	<b>4,794,590</b>	<b>1,216,000</b>

*Fair value*

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) other than quoted prices included within level 1.
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	2024 \$		2023 \$	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Contingent consideration Level 3	-	-	1,216,000	1,216,000
	-	-	<b>1,216,000</b>	<b>1,216,000</b>

Type	Valuation Technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Contingent consideration	<p><i>Discounted cash flows:</i> The valuation model considers the present value of expected future payments in shares and/or cash, adjusted for risk.</p> <p>The value of contingent consideration is discounted using a risk-free discount rate to derive the present value of contingent consideration.</p>	<p>Expected total revenue for the target business over the measurement period.</p> <p>Future Company share price, estimated using mathematical modelling technique (starting share price at \$0.335 on 31 March 2023).</p>	<p>The estimated fair value would increase / (decrease) if:</p> <ul style="list-style-type: none"> <li>- the expected total revenue was higher / (lower); or</li> <li>- the quoted Company equity security price was higher / (lower).</li> </ul>

**Financial risk management**

The Group had exposure to the following risks from its use of financial instruments:

- Market risk (mainly interest rate risk)
- Credit risk
- Liquidity risk

**Risk management framework**

The Company's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the Audit and Risk Committee, which is responsible for developing and

monitoring the Group's risk management policies. A risk register is maintained, and the Committee reports regularly to the board of directors on its activities. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits.

**Market risk**

Market risk is the risk that changes in market prices – e.g. foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

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*Interest rate risk*

The Group's exposure to the risk of changes in interest rates primarily affects borrowings. The Group had floating interest rates throughout the year.

The following table illustrates the sensitivity of profit/ (loss) and equity to a reasonably possible

change in interest rates of +/- 1% (2022: +/- 1%). These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

	2024 \$		2023 \$	
	Change in profit/ (loss)	Change in equity	Change in profit/ (loss)	Change in equity
Variable interest rates +1%	(11,647)	(11,647)	(16,926)	(16,926)
Variable interest rates -1%	11,647	11,647	16,735	16,735

*Foreign exchange risk*

The Group is not subject to material foreign exchange risk.

**Credit risk**

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from trade receivables.

In respect of trade receivables, the Group is not exposed to any significant credit risk. There is no history of customer default and management consider the credit quality of trade receivables

to be good. The Group trades with recognised, creditworthy third parties or requires payment in advance. The profile of future customers is expected to be similar to that of past customers. On this basis, the Group does not feel it necessary to have a written credit policy in place, however management continue to monitor this risk.

Credit risk relating to bank balances is managed by banking with major financial institutions with high quality external credit ratings.

**Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Group manages liquidity risk by maintaining adequate cash reserves and banking facilities. Forecast and actual cash flows are continuously monitored with the maturity profiles of the majority of financial assets and liabilities matched.

Liquidity profile of financial assets	1 Year or less	1-5 Years	More than 5 years	Total contractual cash flows
<b>Year ended 31 March 2024</b>	\$	\$	\$	\$
Cash and cash equivalents	188,177	-	-	188,177
Trade and other receivables	646,958	-	-	646,958
Restricted Cash	26,853	-	-	26,853
	<b>861,988</b>	-	-	<b>861,988</b>
<b>Year ended 31 March 2023</b>				
Cash and cash equivalents	6,148,125	-	-	6,148,125
Trade and other receivables	1,153,331	-	-	1,153,331
Restricted Cash	-	-	98,432	98,432
	<b>7,301,456</b>	-	<b>98,432</b>	<b>7,399,888</b>

Financial liabilities based on contractual cashflows due within	1 Year or less	1-5 Years	More than 5 years	Total contractual cash flows	Carrying amount of liabilities
<b>Year ended 31 March 2024</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Trade and other payables	1,365,898	-	-	1,365,898	1,365,898
Interest bearing loans and borrowings	166,100	1,519,029	-	1,685,129	1,441,129
Related party payables	4,076	-	-	4,076	4,076
Lease liabilities	78,994	-	-	78,994	78,994
	<b>1,615,068</b>	<b>1,519,029</b>	<b>-</b>	<b>3,134,097</b>	<b>2,890,097</b>
<b>Year ended 31 March 2023</b>					
Trade and other payables	2,060,247	64,067	-	2,124,314	2,124,314
Interest bearing loans and borrowings	670,580	1,185,540	161,345	2,017,465	1,794,465
Related party payables	2,513	-	-	2,513	2,513
Lease liabilities	551,598	321,700	-	873,298	873,298
Rfid acquisition shortfall protection*	588,476	104,338	-	692,814	692,814
	<b>3,873,414</b>	<b>1,675,645</b>	<b>161,345</b>	<b>5,710,404</b>	<b>5,487,404</b>

\* the method of potential settlement of the shortfall payment may be in shares and/or cash (Note 19).

## 17 Related party

### Key management personnel

The Group has related party relationships with its directors and other key management personnel as listed below. Remuneration of key management personnel during the year amounted to \$1,247,769 (2023: \$1,452,462), of which \$923,774 (2023: \$1,386,918) was for short-term employee benefits and \$323,996 (2023: \$65,544) was for share-based payment expense.

Remuneration for the directors during the year amounted to \$217,668 (2023: \$272,295), of which \$201,375 (2023: \$254,533) was for directors fees and \$16,293 (2023: \$17,762) was for sharebased payment expense.

### Other related parties

ASB Bank Limited is a shareholder of the Group. The ASB Bank is 100% owned by the Commonwealth Bank of Australia (CBA). The Group has bank balances with the ASB Bank and CBA (see Note 8.1) as well as some interest bearing loan facilities as stated in Note 15.

### Transactions involving related entities

The entities, the nature of the relationship and the types of transactions which the Group entered into during the period are detailed below:

RELATED ENTITY	NATURE OF RELATIONSHIP	TYPES OF TRANSACTIONS
ASB Bank Limited	Shareholder	Funds advanced, balances payable, cash at bank, shares issued
Commonwealth Bank of Australia	Parent of ASB Bank Limited	Cash at bank, restricted cash
OntrackNZ 2020 Limited	Common ownership	Supplier of Services
Independent Verification Services Limited	Common ownership	Supplier of Services
Kerry Friend	Executive director, beneficial shareholder	Employment agreement, ESOP
Albertus Johannes Smith	Executive director, shareholder	Employment agreement, ESOP

The following transactions and outstanding balances between related parties occurred during the year:

	Purchases/ Salaries \$	Balances payable \$	Interest bearing loans \$	Cash at bank \$	Restricted cash \$
<b>FY2024</b>					
<b>Related party entity:</b>					
ASB Bank Limited	-	-	1,038,303	82,280	-
Commonwealth Bank of Australia	-	-	-	95,889	26,853
Independent Verification Services Limited	6,420	184	-	-	-
OntrackNZ 2020 Limited	44,573	3,892	-	-	-
Key management personnel	1,247,769	-	-	-	-
	<b>1,298,762</b>	<b>4,076</b>	<b>1,038,303</b>	<b>178,169</b>	<b>26,853</b>

	Purchases/ Salaries \$	Balances payable \$	Interest bearing loans \$	Cash at bank \$	Restricted cash \$
<b>FY2023</b>					
<b>Related party entity:</b>					
ASB Bank Limited	-	-	1,362,805	5,927,006	-
Commonwealth Bank of Australia	-	-	-	173,261	98,432
Independent Verification Services Limited	28,090	1,909	-	-	-
F40 Developments Limited	10,754	604	-	-	-
Key management personnel	1,144,617	-	-	-	-
	<b>1,183,461</b>	<b>2,513</b>	<b>1,362,805</b>	<b>6,100,267</b>	<b>98,432</b>

## 18 Interest in subsidiaries

Set out below is a list of material subsidiaries of the Group:

	Country of incorporation	Principal place of business	2024	2023
Trade Window Limited	New Zealand	New Zealand	100%	100%
Trade Window Pty Limited	Australia	Australia	100%	100%
Trade Window Pte Limited	Singapore	Singapore	100%	100%
TradeWindow Services Limited	New Zealand	New Zealand	100%	100%
Trade Window Origin Limited	New Zealand	New Zealand	100%	100%
Trade Window Nominees Limited*	New Zealand	New Zealand	n/a	100%
Trade Window Incorporated	Philippines	Philippines	100%	100%

All subsidiaries except for Trade Window Incorporated have a 31 March balance date. Trade Window Incorporated has a balance date of 31 December.

\*In October 2023, the Group de-registered the wholly owned subsidiary Trade Window Nominees Limited from the New Zealand Companies Register.

# 19 Business acquisitions

Year ended 31 March 2023

## Rfider

With effect from 1 July 2022, the Group acquired the assets of Auckland based software as a service company Rfider Limited, for a notional maximum purchase price of NZ\$10 million. NZ\$2.5 million was paid in cash on settlement on 29 July 2022. NZ\$7.5 million consideration was deferred to be settled in shares in two tranches of up to NZ\$3.75 million each, subject to achievement of revenue targets within 12 and 24 months from settlement, respectively. The Rfider product was subsequently rebranded as "TradeWindow Assure+". The acquisition of Rfider provided the Group with a supply chain transparency solution.

### Consideration transferred

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities. Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured, and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

The details of the business combination are as follows:

	2023 \$
<b>Fair value of consideration transferred</b>	
Amount subject to earn-out based on revenue targets (current)	2,347,000
Amount subject to earn-out based on revenue targets (non-current)	2,307,000
Amount settled via cash	2,500,000
<b>Total fair value of consideration transferred</b>	<b>7,154,000</b>
<b>Recognised identifiable net assets</b>	
Software	2,980,000
Deferred tax liability	(666,000)
Plant and equipment	4,800
Goodwill	4,835,200
<b>Total identifiable net assets</b>	<b>7,154,000</b>

The actual value of the two deferred payment tranches will be determined based on the proportion of revenue targets achieved for each period, with settlement in TradeWindow Holdings Limited shares. Further, there is a shortfall protection mechanism which partially compensates the vendors should TradeWindow Holdings Limited's share price be less than a specified level at the time of payment of each of the deferred tranches. Settlement of this component maybe in shares and/or cash.

The Group has included \$4.7 million as contingent consideration, which represents its fair value at the date of acquisition (current \$2.4 million, non-current \$2.3 million). This has been recognised as a contingent liability. At 31 March 2024, the contingent consideration had decreased by a further \$1.2 million (2023: 3.4 million) due to remeasurement. The fair value of contingent consideration at balance date is \$Nil (2023: \$1.2 million) - refer Note 14.

Annualised revenue for the 12 months ended 31 March 2023 was expected to be approximately \$155,000. The business did not have a requirement to prepare NZ IFRS financial statements prior to acquisition.

The strategic rationale for acquiring the business is to integrate into TradeWindow's suite of solutions and therefore a separate profit and loss is not maintained and impractical to disaggregate.

As part of the recognised identifiable net assets, there is a portion of goodwill which has been recognised. This is composed of intangible benefits such as sales and product synergies.

**Measurement of fair values** - The valuation techniques used for measuring the fair value of material assets acquired in all business acquisitions during the year were as follows:

**Property, Plant and Equipment** - as the value of the tangible assets purchased are immaterial, these have been recognised at the vendor's book value.

**Software** - where there is no comparable product which TradeWindow could purchase off the shelf to continue serving its customers, software has been measured based on the estimated development cost to replicate the acquired software.

These valuations are key accounting estimates.

## 20 Share capital

	2024 Number of shares	2023 Number of shares	2024 \$	2023 \$
<b>Shares</b>				
Balance 1 April	113,026,232	86,373,316	46,180,576	31,333,484
Issue of ordinary shares	2,057,614	26,425,599	500,000	14,689,831
Shares issued as payment of vendor services	1,079,693	-	291,506	-
Shares issued in respect of employee share options exercised	1,032,336	227,317	318,591	157,261
<b>Balance at 31 March</b>	<b>117,195,875</b>	<b>113,026,232</b>	<b>47,290,673</b>	<b>46,180,576</b>

During November 2023, Trade Window Holdings Limited raised \$500,000 by way of a private placement (shares issued 2,057,614). During the year vendors accepted payment in shares of \$291,506 (shares issued 1,079,693).

During July 2022 Trade Window Holdings Limited raised \$10,000,000 before capital raise expenses, by way of a private placement (issuing 12,857,142 shares) and a Share Purchase Plan (issuing 1,428,434 shares). A further \$5,463,010 before capital raise expenses was raised in Quarter 4 of the 2023 financial year, resulting in the issuance of 12,140,023 shares.

At 31 March 2024, share capital comprised 117,195,875 shares. All issued shares rank equally, are fully paid and have no par value.

### Share capital policy

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

### Capital management

For the purpose of the Group's capital management, capital includes issued capital, convertible notes and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximise the shareholder value. The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. There are no externally imposed capital requirements.

## 21 Share based payment arrangements

As at 31 March 2024 the Group had the following share-based payments arrangements.

### 2019/20 Share Option scheme

The Group established a share option programme that entitled senior management to purchase shares in the Company on 31 October 2019, which was revised on 25 March 2020 and 19 November 2021. Under this programme, holders of vested options are entitled to purchase shares at the exercise price specified at grant date. All options are to be settled by the physical delivery of shares.

Under this plan, grantees have been granted options to purchase ordinary shares at an exercise price based on the fair value of Trade Window Holdings Limited's shares on the date of the grant as approved by the directors. Once granted, options vest over a period of time which is stated in the options offer

letter to the grantee. The grantee may exercise an option that has vested at any time during the period commencing on the date on which the option vested and ending on the expiry date. Under the terms of the scheme unvested options lapse immediately on termination of service. For a good leaver, as defined, vested options must be exercised within three months following termination of services, and any options exercised and converted to shares may be retained. For a bad leaver, as defined, vested options are cancelled on the leaving date.

No options were approved to be issued under the existing scheme since prior to listing on 19 November 2021.

The number and weighted average exercise prices of share options under the employee share option programmes were as follows:

	Number of options	Weighted average exercise price
<b>Year ended 31 March 2024</b>		
Outstanding at the beginning of the period	85,511	0.00092
Granted during period	-	-
Revoked during period	(12,294)	0.00092
Exercised at end of 31 March 2024	(58,727)	0.00092
<b>Outstanding at the end of the Period</b>	<b>14,490</b>	<b>0.00092</b>
<b>Comprised of:</b>		
Vested (and not exercised)	14,490	
Granted but not vested	-	
	<b>14,490</b>	

	Number of options	Weighted average exercise price
<b>Year ended 31 March 2023</b>		
Outstanding at the beginning of the period	317,311	0.00100
Granted during period	-	-
Revoked during period	(4,483)	0.00092
Exercised at end of 31 March 2023	(227,317)	0.00092
<b>Outstanding at the end of the Period</b>	<b>85,511</b>	<b>0.00092</b>
<b>Comprised of:</b>		
Vested (and not exercised)	62,695	
Granted but not vested	22,816	
	<b>85,511</b>	

**2022 Share Option schemes**

**Employees LTI Option Plan**

During the prior year, the Group introduced a share option programme to replace the 2019/20 scheme. The establishment of the 2022 Share Option Plan is designed to provide long-term incentives for senior managers (including executive directors) to deliver long-term shareholder value, as well as retain and motivate participants. Under this programme, participants were issued options at the equivalent

price of \$0.74. This price was determined with reference to TWL's closing share price on 29 July 2022. Under the terms of the scheme, unvested options lapse on the date employment ceases.

The key terms and conditions of the share options granted under this programme are as follows, all options are to be settled by the physical delivery of shares:

Grant Date	Number of instruments	Exercise Price	Vesting Date	Vesting conditions	Contractual life of options
July 2022	1,169,670	Nil	1 July 2025	Subject to hurdle rate of 17.5% per annum growth in the share price, based on the issue price.	5 years
July 2022	54,054	Nil	1 July 2025	Must be employed by the company on vesting date	5 years

**Non-Executive Directors Option Plan**

Also during the prior year the Group introduced a share option programme for Non-Executive Directors.

20 Business Day period prior to the date of issuance of the Options, subject to a floor price of \$0.70 per share.

Under this programme, holders of vested options are entitled to purchase shares at an exercise price equal to the VWAP of TradeWindow shares over the

The key terms and conditions of the share options granted under this programme are as follows, all options are to be settled by the physical delivery of shares:

Grant Date	Number of instruments	Exercise Price	Vesting Date	Vesting conditions	Contractual life of options
Sep 2022	300,000	\$0.70	Progressively over two years from grant date.	None	3 years

**2023/24 Salary Sacrifice Option Plan**

During the period the Group introduced a share option programme for senior management where participants make a salary sacrifice in exchange for employee share options in the Company. The programme was intended to run for up to 12 months and was in effect for the full financial year. Under this programme, the number of options to be granted to a participant is determined each payday by dividing 150% of the salary sacrifice amount by the

mid-point share price on the salary payment date. Granted options vest immediately and the participant has five years from issue date to exercise the options. Holders of vested options are entitled to purchase shares at \$Nil exercise price.

The key terms and conditions of the share options granted under this programme are as follows, all options are to be settled by the physical delivery of shares:

Grant Date	Number of instruments	Exercise Price	Vesting Date	Vesting conditions	Contractual life of options
April 2023 – March 2024	1,592,695	\$0.00	Immediately	None	5 years

The number and weighted average exercise prices of share options under the employee share option programmes were as follows:

<b>Year ended 31 March 2024</b>	<b>Number of options</b>	<b>Weighted average exercise price</b>
Outstanding at the beginning of the period	1,448,649	0.14496
Granted during period	1,646,719	-
Revoked during period	(288,964)	0.08075
Exercised at end of 31 March 2024	(973,609)	-
<b>Outstanding at the end of the period</b>	<b>1,832,795</b>	<b>0.10185</b>
<b>Comprised of:</b>		
Vested (and not exercised)	873,110	
Granted but not vested	959,685	
	<b>1,832,795</b>	

<b>Year ended 31 March 2023</b>	<b>Number of options</b>	<b>Weighted average exercise price</b>
Granted during period	1,523,724	0.13782
Revoked during period	(75,075)	-
Vested & exercised at end of 31 March 2024	-	-
<b>Outstanding at the end of the period</b>	<b>1,448,649</b>	<b>0.14496</b>

All shares are non-vested as at 31 March 2023.

### Expense recognised in profit or loss

The total expense recognised in the statement of comprehensive income during the year was \$523,638 (2023: \$257,239).

### Share-based payments policy

The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

## 22 Capital commitments

There are no capital commitments at year end (2023: \$Nil).

## 23 Contingencies

The Group has a contingent liability in 2024 of \$1,035,902 relating to R&D tax losses cashed out (2023: \$1,035,902). If the Group becomes profitable in the future, there is a change in the shareholders greater than 90%, or a liquidation event occurs, it would become payable.

The Group has revalued contingent consideration related to the Rfider acquisition (July 2022) to \$Nil (refer Note 14) as revenue performance is materially below target thresholds. Lorzone Limited (formerly Rfider Limited) has disputed this position. Based on legal advice the Group maintains its position that no contingent consideration shall be paid.

There are no other contingencies.

## 24 Subsequent events

On 22 April 2024, the Group completed and announced the successful completion of its \$2.2 million capital raise. Apart from the above matter, no other matter or circumstance has arisen since 31 March 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

## 25 Segment reporting

An operating segment is reported in a manner consistent with the internal reporting provided to the chief operating decision maker ("CODM") on a monthly basis. The CODM, who is responsible for allocating resources and assessing performance of the operating segment(s) is part of the senior leadership team and is involved in strategic decision making of the Group. Management has determined there is one operating segment based on the reports reviewed by the CODM.

The reason for looking at the business as one segment is because of the inter-related nature of the services and their dependence on the TradeWindow software which cannot be separated between different products and services. The performance of the operating segment is reviewed by the CODM and action plans are agreed with the management where necessary to improve performance of the business.

The reportable operating segment derives its revenues from the provision of software solutions to its customers. There are no major customers that make up to 10% of revenues. The CODM assesses the performance of the operating segment from revenue to net income. The total revenue, direct costs, operating expenses, interest and foreign exchange gains and losses, tax and net income are reviewed.

The amounts reported with respect to segment total assets and liabilities are measured in a manner consistent with the consolidated statement of financial position. Reportable segment assets and liabilities are equal to total assets and liabilities hence no reconciliation is required. The majority of the Group's operations are within New Zealand and there are no other material geographic segments.

## 26 Earnings per share

Basic earnings/(deficit) per share is calculated by dividing the net profit/(loss) for the year attributable to the parent by the weighted average number of ordinary shares outstanding during the year. The weighted average number of ordinary shares outstanding during the year is the number of ordinary shares outstanding at the beginning of the year adjusted by the number of ordinary shares bought back or issued during the year multiplied by a time-weighting factor. Diluted earnings per share

additionally considers the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The reconciliation of the weighted average number of shares for the purpose of diluted earnings per share to the weighted average number of ordinary shares used in the calculation of basic earnings per share is below.

The earnings per share for the year ended 31 March was as follows:

	2024	2022
<b>Profit (loss) attributable to ordinary shareholders</b>	<b>(8,011,048)</b>	<b>(9,780,088)</b>
<b>Weighted average number of shares</b>		
Basic (ordinary shares)	114,428,949	99,239,134
<b>Diluted (ordinary shares plus convertible notes)</b>	<b>114,428,949</b>	<b>99,239,134</b>
Basic EPS (\$)	(0.07)	(0.10)
Diluted EPS (\$)	(0.07)	(0.10)

As at 31 March 2024 share options that could potentially dilute basic earnings per share in the future, but were not included in the calculation of diluted earnings per share because they are antidilutive for the periods presented total 1,847,285 (2023: 1,534,160)

Subsequent to balance date the Group completed an equity capital raise for a total of \$2.2 million. Total ordinary shares to be issued under this raise total 12,690,858.



# General disclosures

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## Interest register

In accordance with Section 140(2) of the Companies Act, the directors named below have made a general disclosure of interest by a general notice disclosed to the Board and entered in the Company's interests register. General notices given by directors which remain current as at 31 March 2024 are as follows:

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### Albertus J Smith

Trade Window Origin Limited	Director
TradeWindow Services Limited	Director
Trade Window Limited	Director
Trade Window Pty Limited	Director
Trade Window Pte Limited	Director
Trade Window Incorporated	Director
SmithCo Ventures Limited (appointed 29 June 2023)	Director/Shareholder
R-Age Limited (appointed 7 August 2023)	Director/Shareholder

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### Kerry M Friend

Tomadachi No.2 Trust	Trustee and Shareholder in TWHL
Trade Window Limited	Director
TradeWindow Services Limited	Director
Northpower Limited	Director
Northpower Fibre Limited	Director

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### Alasdair J MacLeod

Trade Window Limited	Chair
Silverstripe Limited	Chair
Kotahi Engineering Studio (appointed 16 May 2024)	Chair
Hold Fast Investments Limited	Chair
Silverstripe Trustees Limited	Director
Big Brothers Big Sisters Hawke's Bay	Chair
IHC- Board Appointments Committee	Independent Director
Hawkes Bay Regional Economic Development Agency	Chair

## Interest register

### Phillip J Norman

Task Group Holdings Limited (ASX listed)	Director/Shareholder
Task Retail Pty Limited	Director
Just Life Group Limited (resigned 14 June 2024)	Director
Trade Window Limited	Director
Plexure Limited	Director
VMob IP Limited	Director
VMob Singapore Pte Limited	Director
Xero Limited (ASX listed)	Shareholder
Loyalty New Zealand Limited	Director
Nortek Management Services Limited	Director/Shareholder
TruScreen Limited (NZX listed)	Shareholder
MyWave Holdings Limited	Shareholder
Touchpoint Group Limited	Director/Options Holder
Atrax Group New Zealand Limited	Advisory Board Member

## Interest register

As required by Section 211 of the Companies Act 1993 we disclose the following information:

### Directors remuneration

The persons who held office as directors of Trade Window Holdings Limited at any time during the year ended 31 March 2024 and their remuneration, are as follows:

	Director and consulting fees \$	Salary \$	ESOP \$	Total \$
Albertus J Smith*	-	261,060	214,561	475,621
Kerry M Friend*	-	168,156	53,550	221,706
Alasdair J MacLeod	94,500	-	6,971	101,471
Phillip J Norman	67,500	-	6,971	74,471
Diana Puketapu (Resigned 31 October 2023)	39,375	-	2,351	41,726

No directors fees were paid to directors of subsidiary entities.

\*The Executive Director's ESOP remuneration included 2023/24 Salary Sacrifice Options Plan issuances as described in Note 21.

### Employee remuneration

Trade Window Holdings Limited and our subsidiaries have employees in New Zealand, Australia and Singapore. Our pay levels reflect the different market rates in each country and region. The overseas remuneration amounts are converted into New Zealand dollars. Noted in the table below are employees who received remuneration and other benefits that exceed NZ \$100,000:

Employee remuneration	Remuneration including share-based remuneration (\$)	Number of employees (Total: 34)
Trade Window Holdings Limited and our subsidiaries have employees in New Zealand, Australia and Singapore. Our pay levels reflect the different market rates in each country and region. The overseas remuneration amounts are converted into New Zealand dollars. Noted in the table below are employees who received remuneration and other benefits that exceed NZ \$100,000:	100,001 - 110,000	3
	110,001 - 120,000	6
	120,001 - 130,000	2
	130,001 - 140,000	3
	140,001 - 150,000	5
	150,001 - 160,000	1
	160,001 - 170,000	2
	170,001 - 180,000	1
	180,001 - 190,000	1
	190,001 - 200,000	1
	200,001 - 210,000	2
	220,001 - 230,000	1
	250,001 - 260,000	1
	260,001 - 270,000	1
	280,001 - 290,000	2
	290,001 - 300,000	1
	470,001 - 480,000	1

### Donations

During the year ended 31 March 2024, the Group made donations of \$Nil (2023: \$Nil).

**Independent Auditor’s Report**

To the Shareholders of Trade Window Holdings Limited

**Opinion**

I have audited the consolidated financial statements of Trade Window Holdings Limited (“the Company”) and its subsidiaries (“the Group”), which comprise:

- the consolidated statement of financial position as at 31 March 2024;
- the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements including a summary of significant accounting policies.

I am a partner with UHY Haines Norton Chartered Accountants Sydney (the Firm) and I have used the staff and resources of the Firm to perform the audit of the Group.

In my opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 March 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards (“NZ IFRS”) issued by the New Zealand Accounting Standards Board.

**Basis for Opinion**

I conducted my audit in accordance with International Standards on Auditing (New Zealand) (“ISAs (NZ)”) issued by the New Zealand Auditing and Assurance Standards Board. My responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements* section of my report.

I am independent of the Group in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants’ *International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code)*, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other than in my capacity as auditor, neither myself, the firm or the firm’s staff have no relationship with, or interests in, the Group.

**Material uncertainty related to going concern**

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Group incurred a loss of \$8 million and operating cash outflows of \$5.8 million for the year ended 31 March 2024. These events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group’s ability to continue as a going concern. Our opinion is not modified in respect of this matter.

**Key Audit Matters**

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the consolidated financial statements of the current year. Except for the matter described in the material uncertainty related to going concern, I summarise below those matters and my key audit procedures to address those matters in order that the shareholders as a body may better understand the process by which I arrived at my audit opinion. The procedures were undertaken in the context of and solely for the purpose of my statutory audit opinion on the consolidated financial statements as a whole and I do not provide a separate opinion on these matters.

Why the audit matter is significant	How my audit addressed the key audit matter
<p><b>Revenue recognition</b></p> <p>The Group has recognised revenue of \$6.18m (FY 2023: \$4.92m) (Note 3.1).</p> <p>The Group has several revenue streams, and the revenue recognition policy for each stream is different. We focused on this area because the recognition of revenue in accordance with NZ IFRS 15 involves judgement and the outcome has a significant impact on profit or loss and the financial position of the Group.</p> <p>Also, there is a risk of overstatement of revenues through premature revenue recognition or recording fictitious revenues to meet budgets and/or market guidance.</p>	<p>To address the risk associated with revenue recognition, the following audit procedures were carried out:</p> <ul style="list-style-type: none"> <li>• Evaluated the design of management's internal controls related to revenue recognition.</li> <li>• Reviewed revenue recognition policies for appropriateness and compliance with the requirements of the relevant accounting standard NZ IFRS 15;</li> <li>• Selected a sample of transactions and agreed them to supporting documentation such as customer contract, sale invoice, cash receipt and assessed whether all criteria related to revenue recognition has been met before being recognised as revenue;</li> <li>• Reviewed credit notes posted after year end to ascertain correct revenue recognition during the year;</li> <li>• Performed revenue cut off procedures by selecting revenue samples before and after year end and testing that revenue is recorded in the correct period;</li> <li>• Tested a sample of deferred revenue balances and agreed it to the supporting documents;</li> <li>• Reviewed manual revenue journals as part of the journal entry testing process with the criteria specifically targeting unusual entries to revenue accounts; and</li> <li>• Assessed the reasonability and completeness of the revenue related disclosures to test compliance with the requirements of the accounting standards.</li> </ul>

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Why the audit matter is significant	How my audit addressed the key audit matter
<p><b>Intangible assets &amp; Goodwill</b></p> <p>The Group has significant intangible assets relating to the acquisitions made in previous periods.</p> <p>The Group has significant intangible assets with finite useful lives including software and customer relationships totalling \$3.75m (note 12) as at 31 March 2024 that are amortised over their useful life.</p> <p>In addition there is a significant goodwill balance recorded of \$7.62 million (note 12) as at 31 March 2024.</p> <p>We consider this area to be significant as balances are material to the financial report and the significant estimates and judgements applied in testing these balances for impairment.</p>	<p>To address the risk associated with intangible balance, the following audit procedures were carried out:</p> <ul style="list-style-type: none"> <li>Assessed reasonability of the useful life used for the purpose of calculating amortisation on software and customer relationship i.e. finite life intangible assets;</li> <li>Analysed the Group's impairment assessment for the correct methodology with particular emphasis on the key assumptions being discount rate, growth rate and forecast cash flows;</li> <li>Performed an independent recalculation of the Group's recoverable amount and compared it to management's assessment and the relevant carrying amount;</li> <li>Performed stress testing of the key assumptions; and</li> <li>Assessed the reasonability and completeness of the related disclosures to test compliance with the requirements of the accounting standards.</li> </ul>

**Information Other than the Consolidated Financial Statements and Auditor's Report thereon**

The Directors are responsible for the annual report, which includes information other than the consolidated financial statements and auditor's report.

My opinion on the consolidated financial statements does not cover the other information and I do not express any form of audit opinion or assurance conclusion thereon.

In connection with my audit of the consolidated financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based upon the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Directors' Responsibilities for the Consolidated Financial Statements**

The Directors are responsible on behalf of the Group for the preparation and fair presentation of the consolidated financial statements in accordance with NZ IFRS, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible on behalf of the Group for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

**Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

My objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of the auditor's responsibilities for the audit of the consolidated financial statements is located on the External Reporting Board's website at: <https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/audit-report-1/>.

This description forms part of my auditor's report.

**Restriction on use of my report**

This report is made solely to the Group's shareholders, as a body. My audit work has been undertaken so that I might state to the Group's shareholders, as a body those matters which I am required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Group and the Group's shareholders, as a body, for my audit work, for this report or for the opinion I have formed.



**Vikas Gupta**  
Audit Partner - UHY Haines Norton Chartered Accountants Sydney  
Signed at Sydney, Australia on 27 June 2024

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# Shareholder information

## Distribution of shareholders and holdings

The spread of holders of TradeWindow Holding ordinary shares as at 31 May 2024 are listed below:

Holding Range	Number of Holders	%	Number of ordinary shares	%
1 - 499	41	8	10,509	0.01
500 - 999	26	5	18,036	0.01
1,000 - 1,999	70	14	96,060	0.08
2,000 - 4,999	85	16	246,150	0.19
5,000 - 9,999	56	11	387,514	0.31
10,000 - 49,999	134	26	3,030,535	2.39
50,000 - 99,999	33	6	2,259,890	1.78
100,000 - 499,999	41	8	8,241,059	6.50
500,000 - 999,999	10	2	8,155,671	6.43
1,000,000 Over	19	4	104,393,224	82.32
<b>Total</b>	<b>515</b>	<b>100</b>	<b>126,838,648</b>	<b>100.00</b>

The details set out above were as at 31 May 2024. The Company only has one class of shares on issue, ordinary shares, and these shares are quoted on the NZX Main Board.

As at 31 May 2024, 21 participants hold a total of 1,661,050 options pursuant to the TradeWindow employee share option plan, employee long term incentive option plan, employee salary sacrifice option plan and non-executive directors option plan.

## Substantial product holders

According to TradeWindow records and disclosures made to TradeWindow under the Financial Markets Conduct Act 2013, the following persons were substantial product holders as at 31 March 2024:

Substantial product holder	Number of ordinary shares in which relevant interest is held	% of class held at balance date <sup>1</sup>
QUAYSIDE HOLDINGS LIMITED, QUAYSIDE SECURITIES LIMITED <sup>2</sup>	15,394,294	13.14%
Albertus Johannes Smith <sup>3</sup>	13,825,000	11.80%
Holding des Mers du Sud <sup>3</sup>	6,503,619	5.55%
ASB Bank Limited <sup>3</sup>	24,441,939	20.86%

<sup>1</sup> Based on issued capital of 117,195,876 as at 31 March 2024

<sup>2</sup> Based on the last substantial product holder notice filed prior to 31 March 2024

<sup>3</sup> Based on TradeWindow records as at 31 March 2024

## Shareholder information

## Principal shareholders

The names and holdings of the 20 largest registered shareholders in the Company as at 31 May 2024 were:

Holder Name	Shares	%
ASB BANK LIMITED	26,841,939	21.16
JBWERE (NZ) NOMINEES LIMITED	15,394,294	12.14
ALBERTUS JOHANNES SMITH	14,112,740	11.13
HOLDING DES MERS DU SUD	6,503,619	5.13
NEW ZEALAND DEPOSITORY NOMINEE LIMITED	5,295,334	4.17
ANNA JANE MOWBRAY	5,202,140	4.10
KERRY MICHAEL FRIEND & YHPJ TRUSTEES (2016) LIMITED	4,256,182	3.36
HSBC NOMINEES (NEW ZEALAND) LIMITED - NZCSD	4,164,410	3.28
STEPHEN VICTOR COX	3,929,622	3.10
WILTSHIRE FAMILY TRUST COMPANY LIMITED	3,911,523	3.08
PETER DONALD FOYSTON	3,140,691	2.48
ACCIDENT COMPENSATION CORPORATION	2,857,143	2.25
FORSYTH BARR CUSTODIANS LIMITED	1,656,331	1.31
SALLY WALLACE	1,424,140	1.12
EASTMERE NO. 1 LP	1,357,144	1.07
JPMORGAN CHASE BANK NA NZ BRANCH-SEGREGATED CLIENTS ACCT	1,277,770	1.01
FRANCIS PETER JOHN WEBB & HEATHER MAY WEBB & MARILYN JOY DAVIES	1,057,284	0.83
GRAHAM MAXWELL DRURY & GLORIA KAYE DRURY & SRHB 2006 TRUSTEE COMPANY LIMITED	1,010,918	0.80
PHILLIP ANDREW RICHARDS	1,000,000	0.79
DOUGLAS MEUROSS	972,622	0.77
	<b>105,365,846</b>	<b>83.07</b>

### Directors relevant interests

In accordance with the NZX Listing Rules, as at 31 March 2024, directors had a relevant interest (as defined in the Financial Markets Conduct Act 2013) in TradeWindow shares and holdings of other financial products as follows:

Holder Name	Class of Financial product	Number held
AJ Smith	Fully paid ordinary shares	13,825,094
AJ Smith	Options issued pursuant to TradeWindow employee long term incentive plan and 2023/24 salary sacrifice plan	282,822
Kerry Friend <sup>1</sup>	Fully paid ordinary shares	3,970,467
Kerry Friend	Options issued pursuant to TradeWindow employee long term incentive plan and 2023/24 salary sacrifice plan	245,964
Alasdair MacLeod	Options issue to independent directors pursuant to shareholder resolution dated 14 September 2022	100,000
Diana Puketapu	Options issue to independent directors pursuant to shareholder resolution dated 14 September 2022	66,667
Phil Norman	Options issue to independent directors pursuant to shareholder resolution dated 14 September 2022	100,000

<sup>1</sup> The relevant interest is held via a trust in which the director is a trustee and beneficiary.

### Regulatory Matters

The following waivers from the NZX Listing Rules were granted to TradeWindow or relied upon by TradeWindow during the financial year ended 31 March 2024:

The following waivers from the NZX Listing Rules were granted to TradeWindow or relied upon by TradeWindow during the financial year ended 31 March 2024:

A waiver from the requirement under NZX Listing Rule 4.2.2(b) to complete a share issue within 12 months of passing the relevant shareholder resolutions. On 25 August 2022, NZX gave approval for TradeWindow to issue consideration shares to Rfider Limited, as partial satisfaction of the purchase price of Rfider, within 25 months of completion of the Rfider transaction.

## Glossary

### Annualised Recurring Revenue (ARR)

Annual recurring revenue is calculated using subscription revenue for March 2024 and the monthly average of transaction revenue for Q4 2024 annualised.

### Average Revenue Per Customer (ARPC)

Is subscriber customers' monthly revenue divided by number of subscriber customers as at end of the month. The value provided is the average of the monthly ARPC for the period.

### CAGR

Compound annual growth rate.

### Customer retention rate

Customer retention rate is the number of subscriber customers who leave in a month as a percentage of the total subscriber customers at the start of that month. The percentage provided is the average of the monthly churn for the period. The customer retention rate is the inverse of customer churn.

### Customs Broker

A Customs Broker is a licenced individual who acts as an intermediary for Shippers and Freight Forwarders in handling the sequence of customs formalities involved in the customs clearance and importing goods.

### EBITDA

Earnings before interest, taxation, depreciation and amortisation.

### Freight Forwarder

A Freight Forwarder is an organisation who arranges and handles the transport of goods between countries on behalf of their customers. Responsibilities can also include storing products, negotiating transportation rates and booking cargo space.

### Shipper

A Shipper is an exporter or importer who requires carriers to transport goods for transport from one location to another.

### Subscriber customers

Subscriber customers are those that license and/or access TradeWindow's software on a monthly basis. It excludes pay as you go certificate revenue.

### Recurring revenue

Revenues that are predictable, stable and can be counted on to occur at regular intervals going forward with a relatively high degree of certainty. For Trade Window this is subscription and transactional revenue.

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