

Tilt | Diligence Memo

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EXECUTIVE SUMMARY

Tilt is a technology-driven freight brokerage and logistics platform that leverages AI to automate processes, enhance efficiency, and reduce fraud in the \$6 trillion global land freight market. The company has demonstrated strong traction, generating \$26.3 million in 2024 revenue from its Capacity Marketplace and achieving a \$70 million pipeline in its Transportation-as-a-Service (TaaS) model within six months. The current \$1.5 million funding round will be strategically deployed to enhance sales and marketing (50%), technology development (25%), and general operations (25%) to scale operations and launch new products. Tilt's roadmap includes a potential IPO within 12 months, targeting a valuation of \$60 million or higher. We are particularly encouraged by Tilt's proprietary technology, experienced leadership, and rapid TaaS growth, which position it to capture a significant share of the \$35.4 billion serviceable market. Although the industry landscape presents risk due to competition and margin pressure, Tilt's innovative automation and scalable model make it a compelling investment opportunity with strong growth potential.

INVESTMENT ASSESSMENT

Investment Strengths

- **Proprietary AI-Driven Technology:** Tilt's in-house developed platform uses AI and computer vision to automate freight management, reducing manual processes and enabling brokers to handle up to 4x more freight, enhancing scalability and efficiency.
- **Strong Traction in TaaS Model:** The Transportation-as-a-Service (TaaS) segment has shown rapid growth, with a \$70 million GTV pipeline in just six months and projected net revenue growth of 513% from 2024 to 2025.
- **Experienced Leadership Team:** The senior leadership, including board members like the Global Head of Supply Chain for Levi's and the CLO of Quantous, brings deep expertise in freight and technology, ensuring strategic execution.
- **Large and Growing Market Opportunity:** Tilt operates in a \$6 trillion global land freight market with a \$35.4 billion serviceable addressable market, projected to grow at a 30% CAGR in digital brokerage through 2032.
- **Recurring Revenue from Enterprise Clients:** The Capacity Marketplace has secured blue-chip customers, generating \$26.3 million in 2024 revenue with a 20% margin, supporting stable, recurring income.

Investment Risks

- **Low Early Margins and Profitability:** Projected EBITDA margins remain below 4% through 2026, with a net loss of \$141,000 in 2025, indicating potential vulnerability if revenue growth underperforms or expenses escalate.
- **Factoring Dependency and Cash Flow Strain:** The brokerage model's working-capital intensity requires factoring at a 2% cost, with interest expenses rising from \$884,000 in 2025 to \$2.7 million by 2027, potentially impacting profitability if payment delays or disputes increase.
- **High Operating Expense Growth:** Operating expenses are projected to nearly quadruple from 2024 to 2027, driven by salaries (60-65% of OpEx), which could strain finances if top-line growth does not keep pace.
- **Decelerating Revenue Growth in Marketplace:** The Capacity Marketplace expects revenue growth to slow from 52% (2024-2025) to 13% (2026-2027), reflecting challenges in adding large shippers amidst competition, which may limit overall growth.

Valuation

- **Raise/Terms**
 - \$1.5M raise @ \$28.5 Post Money Valuation
- **Amount committed for the round**
 - \$500k from 1864 Fund, Up to \$750k from SSBCI
- **Cap table**

Founder Ownership: Each of the three main founders holds roughly 26–33% of the company (fully diluted). This is healthy from a retention perspective (founders have significant skin in the game even after further dilution in this upcoming round).

TILT Series Seed Pro Forma						
Name	Common Stock	Series Seed	Shares / Options Under Plan	Outstanding Shares	Fully Diluted Shares	Outstanding Ownership
Glenn Deweese	1,162,200			1,162,200	1,162,200	33.05%
Joshua Holtom	1,162,200			1,162,200	1,162,200	33.05%
Francesco Petruzzelli	929,800			929,800	929,800	26.44%
Jevgenijs Fokins	20,000			20,000	20,000	0.57%
Kirills Morozovs	20,000			20,000	20,000	0.57%
Sergei Gorbachenko	20,000			20,000	20,000	0.57%
Anita Petruzzelli	6,500			6,500	6,500	0.18%
Equity Incentive Plan			368,967		368,967	0.00%
Equity Incentive Plan - Increase			#REF!		#REF!	0.00%
Tahoe Holdings Group LLC		11,651				
Tazena Capital LLC		11,651				
David Blake		11,651				
NBBGEI		73,404				
Fund 012, a Series of Western Frontier LLC		73,404				
Matt Young		4,661				
Stephen Curran		9,322				
		195,744		195,744	195,744	5.57%
Totals	3,320,700	195,744	#REF!	3,516,444	#REF!	100.00%

- **Use of funds**

- Tilt plans to raise \$1.5 million, with proceeds allocated as follows: 50% to sales and marketing to target large-scale enterprise accounts and expand geographically, 25% to technology development to enhance AI-driven automation and launch new products, and 25% to general operations to support scalability and operational efficiency. This strategic deployment aims to optimize growth in the Capacity Marketplace and TaaS segments.

- **Exit/ Likely Buyers**

- Tilt's roadmap includes a potential IPO within 12 months at a \$60 million+ valuation. Likely buyers could include large 3PLs like C.H. Robinson or XPO Logistics, seeking Tilt's AI-driven platform, or tech-focused firms like Flexport, which acquired Convoy's assets to bolster digital brokerage capabilities.

TEAM ASSESSMENT

Francesco Petruzzelli (CEO & Co-Founder): A dynamic veteran in creative technology, Francesco has pioneered AI/ML and adtech, entertainment, and gaming solutions. He has overseen multiple successful exits, leading a multi-billion-dollar industry and filing numerous tech patents in Europe and the US in his previous role.

Glenn DeWeese (President & Co-Founder): Glenn leads Tilt and is responsible for development, growth, and vision. With over 15 years of commercial experience, he has spent almost a decade in the transportation industry, including growing a brokerage from early revenues into a billion-dollar venture.

Josh Holtom (COO & Co-Founder): Josh co-founded Tilt in 2021 and, in his role as COO, works to unify processes, increase operational efficiency, and integrate new solutions that enhance Tilt's offerings. He previously worked in a brokerage that grew from \$30 million revenues to over a billion.

Stephen Curran (Chief Financial Officer): Stephen brings over 15 years of finance leadership experience, having worked with high-growth businesses, including startups, private equity-backed companies, and listed entities. He joined Tilt with an operational and corporate finance/M&A space background.

Board of Directors

Dr. Michael Botolo (NED): CEO and founder of NY Quant Hedge Fund and previously the founder of Morgan Stanley’s electronic trading division, Dr. Botolo brings extensive financial and technological expertise to Tilt’s board.

Walter Ettlin (NED): Former Global Head of Supply Chain and CFO APAC & MEA for Levi Strauss & Co., Walter offers deep supply chain and financial leadership experience, enhancing Tilt’s strategic oversight.

Management Discussion

Tilt’s management team is a standout strength, featuring a blend of industry veterans and market leaders with deep expertise in technology, logistics, and finance. Francesco Petruzzelli (CEO) brings a dynamic background in AI/ML and adtech, with a track record of leading multi-billion-dollar ventures, while Glenn DeWeese (President) offers over 15 years of transportation industry experience, having scaled a brokerage to a billion-dollar revenue. Josh Holtom (COO) enhances operational efficiency with his brokerage growth experience, and Stephen Curran (CFO) provides 15+ years of financial leadership across high-growth firms. The board, including Dr. Michael Botolo (NED) with his hedge fund and trading division founding experience, and Walter Ettlin (NED) with global supply chain and CFO roles at Levi Strauss, adds strategic oversight. This experienced team is well-positioned to drive Tilt’s innovative AI platform and capitalize on the growing freight market.

MARKET ASSESSMENT

Description of Market and Targeted Segments

Tilt operates within the expansive global freight and logistics market, valued at \$6.4 trillion in 2025 and projected to reach \$8.1 trillion by 2030 with a 5% CAGR, with road freight alone accounting for approximately \$2.2 trillion currently. The company targets the digital freight brokerage and land-logistics segments, which form its serviceable addressable market (SAM) of \$35.4 billion, comprising a \$5.9 billion digital brokerage market expected to grow to \$37.5 billion by 2032 at a 30% CAGR, and a broader logistics software market valued at \$29.5 billion in 2025 with a 12% CAGR. Tilt’s Capacity Marketplace focuses on enterprise shippers, offering AI-driven brokerage services to manage freight efficiently, while its Transportation-as-a-Service (TaaS) model targets agents and carriers, providing scalable logistics solutions with projected significant growth. Additionally, Tilt addresses inefficiencies in a fragmented market with 75,000+ active carriers in the US (96% operating fewer than 10 trucks) and tackles challenges like cargo theft (\$454 million in 2024) and 35% empty freight runs,

positioning itself as a technology-enabled solution for shippers, brokers, and carriers seeking automation, visibility, and sustainability.

Valuation Cap / Sanity Check:

The global freight and logistics market is enormous and growing. Industry analysis projects the total market at \$6.4 trillion in 2025, rising to \$8.1 trillion by 2030 (5% CAGR). Road freight alone accounts for a large share – roughly **\$2.2 trillion** globally today. With an average margin of 18%, a technology brokerage like Tilt has about **\$396 billion** of total market potential.

Tilt's *serviceable* market is a subset: the digital freight brokerage and land-logistics segments. The digital freight brokerage space is currently around **\$5.9 billion** worldwide, but forecast to skyrocket to \$37.5 billion by 2032 (~30% CAGR) as shippers and carriers adopt online platforms. The broader logistics software market (including transport management systems, visibility/analytics tools, etc.) is also substantial (**\$29.5 billion** in 2025, 12% CAGR).

- **Total Market (TAM)** - \$396 billion capturable road freight market
- **Serviceable Market (SAM)** - \$35.4 billion digital brokerage + transportation logistics

Invest Amount Requested \$	1,000,000	Industry EBITA Multiple ×	Percent of ownership %
Required Return Multiple ×	50x	12.5	3%
Industry Sales Multiple %	2.5		
Valuation (or Cap) \$	30,000,000	Expected Dilution %	Required Exit \$
		44%	\$2.7B
Option Pool %	A Round Pool %	B Round Pool %	
12.5	20	20	
C Round Pool %	Other Rounds %		
0	0		
Total Addressable Market \$	396	Billion ∨	
Serviceable Addressable Market \$	35.4	Billion ∨	
Serviceable Obtainable Market \$		Million ∨	
		Percent of TAM %	Percent of SAM %
		0.27%	3.03%

Commentary: The market size is not very relevant to evaluating this business or the valuation. There is plenty of spend in trucking logistics, and with the marketplace and TaaS model, Tilt has the potential to grow significantly.

PRODUCT / BUSINESS MODEL ASSESSMENT

Problem

Tilt addresses the inefficiencies plaguing the overland supply chain, where manual processes, human error, and fragmentation lead to increased costs, claims, and loss of trust for shippers and brokers. The company tackles significant challenges such as cargo theft (\$454 million in 2024), 35% empty freight runs, and the fact that 40% of a broker's time is spent on manual tasks like tracking loads and data entry. By leveraging AI and automation, Tilt aims to enhance efficiency, prevent fraud, and improve margins across the ecosystem for shippers, brokers, and carriers.

Solution

Tilt's solution combines AI, computer vision, and automation to create a unified ecosystem that addresses overland supply chain inefficiencies. The platform includes a Capacity Marketplace for enterprise shippers, offering end-to-end freight management with fraud detection, real-time visibility, and a curated carrier network, alongside a Transportation-as-a-Service (TaaS) model that provides scalable logistics for agents and carriers. Additionally, Tilt reduces human error, enables brokers to manage up to 4x more freight, offers free TMS to carriers to boost margins, and provides sustainability features like emissions tracking, connecting the fragmented ecosystem with a seamless, secure, and efficient platform.

Target Customer Profile

Tilt's target customer profile includes enterprise shippers seeking reliable, automated freight solutions, leveraging the Capacity Marketplace for end-to-end management, real-time visibility, and fraud prevention, with a focus on blue-chip clients as evidenced by its \$26.3 million 2024 revenue. The Transportation-as-a-Service (TaaS) model targets agents and carriers, offering scalable logistics and competitive technology to improve margins and reduce empty miles, supported by a \$70 million GTV pipeline in six months. Additionally, Tilt appeals to small brokers and carriers in the fragmented US market (75,000+ carriers, 96% with fewer than 10 trucks) by providing free TMS and wrap-around care, while aligning with ESG-focused Fortune 500 companies aiming for carbon neutrality by 2050 through emissions tracking and offsetting.

Business Model

Tilt's business model spans three key lines: the Capacity Marketplace, Transportation-as-a-Service (TaaS), and a potential SaaS tools segment. The Capacity Marketplace generates revenue through a 20% margin on shipping costs, providing AI-driven brokerage services to enterprise shippers with recurring revenue from repeat clients, achieving \$26.3 million in 2024 revenue. TaaS offers logistics services with thin margins (6-8%) but significant growth potential, projecting net revenue of \$10 million by 2027 from a \$184.2 million gross transaction value, targeting agents and carriers. The SaaS segment, currently dormant, plans to market AI-powered freight-management software to brokers and carriers if demand arises, with projected 90% margins and minimal revenue (\$129,000) in 2026, supported by offering free TMS to carriers to drive utilization and margins.

Sales Process/Go-to-Market

Tilt's go-to-market strategy focuses on leveraging its AI-driven platform to penetrate the digital freight brokerage and land-logistics markets, with a dedicated sales and marketing team targeting large-scale enterprise accounts through the Capacity Marketplace. The company employs automated procurement tools, including RFP and bid management technology, to shorten sales cycles and scale faster, while expanding geographically to capture untapped volume. For TaaS, growth is driven by a proven six-month pipeline of over \$70 million GTV, targeting agents and carriers with scalable logistics solutions, and offering free TMS to carriers to boost adoption and margins, enhancing market penetration in the fragmented US carrier network.

Product/Solution Discussion

The problem Tilt addresses is substantial, with the global freight and logistics market grappling with a \$454 billion cargo theft issue in 2024, 35% empty freight runs costing billions in fuel, and 40% of brokers' time wasted on manual tasks, driving up costs by up to 30% for shippers. This inefficiency is magnified in a fragmented market with 75,000+ US carriers, 96% operating fewer than 10 trucks, and a \$6.4 trillion market projected to grow to \$8.1 trillion by 2030. Tilt's solution is robust, leveraging AI, computer vision, and automation to create a unified ecosystem that reduces human error, enables brokers to manage 4x more freight, and provides end-to-end visibility with fraud prevention. The platform's Capacity Marketplace and TaaS model, supported by a \$70 million GTV pipeline in six months, offer scalable, secure, and sustainable solutions, positioning Tilt to capture significant value in its \$35.4 billion serviceable market. This innovative approach, backed by proprietary technology, strongly addresses the industry's pain points and drives competitive differentiation.

COMPETITION

Competitor Analysis

Tilt operates in a highly competitive freight brokerage and land-logistics space, facing significant challenges from established players and emerging digital innovators. Key competitors include C.H. Robinson, a dominant global leader with \$24.7 billion in 2022 revenue and 17,399 employees, leveraging its extensive truckload segment and traditional brokerage expertise, and J.B. Hunt Transport, which brokers over 2,000 shipments daily through its J.B. Hunt Integrated Capacity Solutions, supported by 18,000 trucks and advanced digital platforms like Shipper 360. Uber Freight, backed by Uber's technological prowess, generates \$7-8 billion in revenue (2022) and competes with a network of 50,000 carriers, offering route optimization and dynamic scheduling, while Flexport, with \$2.1 billion in 2024 revenue and a focus on ocean/air freight, indirectly rivals Tilt in ground logistics through its trucking and rail services. The overall competition is intense, with a fragmented market featuring over 700,000 motor carriers in the US (91% with 6 or fewer trucks) and nearly 26,000 freight brokers, where digital players like Convoy (defunct in 2023 after a \$3.8 billion peak) and startups like Transfix and Loadsmart disrupt with AI-driven matching, though many struggle with funding sustainability. Traditional 3PLs like Landstar and XPO Logistics add pressure with their vast networks (100,000+ carriers for Landstar), while the rise of e-commerce and technological advancements fuel a shift toward digital solutions, challenging Tilt to differentiate through its proprietary AI and TaaS model amidst margin pressures and market consolidation.

Competitive Advantage

Tilt's competitive advantage lies in its proprietary, in-house developed AI and computer vision technology, which automates freight management, reduces human error, and allows brokers to handle up to 4x more freight, setting it apart in a \$6.4 trillion market. The platform's end-to-end solution, including fraud detection, real-time visibility, and a curated carrier network, provides a unified ecosystem that competitors like Uber Freight and traditional 3PLs struggle to replicate. Additionally, Tilt's free TMS offering to carriers boosts utilization and margins, while its focus on sustainability with emissions tracking aligns with ESG goals, appealing to 45% of Fortune 500 companies targeting carbon neutrality by 2050, enhancing its market positioning.

Competition Discussion

The competitive environment for Tilt is challenging but offers opportunities, characterized by a crowded and fragmented market with significant competition. The

presence of major players like C.H. Robinson, J.B. Hunt, Uber Freight, and Flexport, alongside thousands of traditional brokers and emerging digital startups, indicates a high level of competition, particularly as the market shifts toward technology-driven solutions in a \$6.4 trillion global freight sector. However, the fragmentation (91% of US motor carriers have 6 or fewer trucks) and the failure of competitors like Convoy (defunct in 2023 despite a \$3.8 billion valuation) suggest room for a nimble, AI-powered player like Tilt to carve out a niche, especially with its proprietary technology and TaaS model targeting underserved segments. While the intense competition poses risks of margin pressure and customer acquisition challenges, the growing \$35.4 billion serviceable market and Tilt's focus on automation and sustainability could position it favorably if it executes its strategy effectively, making this a mixed but potentially advantageous environment with strategic differentiation.

FINANCIALS

Forecast

Tilt's model spans three lines: **Brokerage (Capacity Marketplace)**, **Transportation as a Service (TaaS)**, and **SaaS tools**.

Capacity Marketplace (Digital Brokerage): Tilt sources and sells truck capacity via AI-driven brokerage.

2024 Financials:

- Revenue: \$26.3M
- Shipping Cost: \$21.5M
- **Gross Profit: \$4.8M** (18.2% gross margin)

2025 Forecast:

- Revenue: \$39.9M
- Shipping Cost: \$32.7M
- **Gross Profit: \$7.2M**

2026 Forecast:

- Revenue: \$52.9M
- Shipping Cost: \$43.4M
- **Gross Profit: \$9.5M**

2027 Forecast:

- Revenue: \$59.6M
- Shipping Cost: \$48.9M
- **Gross Profit: \$10.7M**

Revenue growth: Model suggests accelerating volume as agent networks expand, but decelerating revenue growth. From 2024 - 2025, Tilt expects to grow marketplace revenue by

52%, but from 2026 - 2027, they only expect to grow marketplace revenue by 13%. Growing this line of revenue requires adding large shippers regularly. Competition from Convoy/Uber/others will make new client wins more challenging as time goes on - which is why the growth rate of revenue for the capacity marketplace decreases (significantly) over time.

Scalability: Brokerage is moderately scalable via software (Tilt's AI and TMS can handle more loads without proportional headcount). However, it is working-capital intensive: Tilt must pay carriers on delivery and wait for shipper payment, necessitating factoring (at ~2% cost) and tying up cash. Losses can mount if accounts are late or disputed.

TaaS (Transportation-as-a-Service): Providing logistics services.

2024 Financials:

- Gross Transaction Value: \$6.3M
- Shipping Costs/Agent Fees: \$6.05M
- **Net Revenue: \$261,000 (4.1%)**

2025 Forecast:

- Gross Transaction Value: \$33.7M
- Shipping Costs/Agent Fees: \$32.1M
- **Net Revenue: \$1.6M (4.7%)**

2026 Forecast:

- Gross Transaction Value: \$93.9M
- Shipping Costs/Agent Fees: \$88.8M
- **Net Revenue: \$5.1M (5.4%)**

2027 Forecast:

- Gross Transaction Value: \$184.2M
- Shipping Costs/Agent Fees: \$174.2M
- **Net Revenue: \$10M (5.4%)**

Current financials indicate thin margins on TaaS shipments (4-6%), but projected GTV growth is strong. While the marketplace projects 50% gross profit growth from 2024 - 2025, the TaaS model projects 513% net revenue growth. From 2026 - 2027, while the marketplace projects only 13% gross profit growth, the TaaS model projects 96% net revenue growth. 2027 is when Tilt expects the "profit" of the TaaS business to match or surpass the gross profit of the marketplace business, becoming the main source of value for Tilt.

SaaS Tools: Marketing/selling the AI-powered freight-management software to brokers and carriers.

Tilt is not currently pursuing this route, as Fran and others on the leadership team think it's a distraction. In the future, if enough brokers and carriers come to Tilt asking for them to sell their software platform as a tool, they will consider doing so. Regardless, this segment did not contribute any revenue in 2024, isn't expected to contribute any in 2025, and is only projected to generate about \$129,000 of revenue in 2026, with 90% margins (\$116,000 gross profit). For our financial analysis, this is essentially a non factor.

P&L

Metric	2024	2025	2026	2027
Total Operating Income	\$5,024,261	\$8,792,646	\$14,742,500	\$21,330,017
Operating Expenses	(\$4,257,434)	(\$7,967,702)	(\$12,675,490)	(\$15,674,785)
▸ Salaries & Benefits	2,703,674	5,324,699	8,461,579	9,641,927
▸ Technology Development	586,351	939,103	1,542,410	2,060,658
▸ IT & Software	388,515	522,900	617,500	712,200
▸ Other Costs	578,894	1,181,000	2,053,001	3,260,000
EBITDA	766,827	824,944	2,067,010	5,655,232
EBITDA Margin	2.9%	2.0%	3.6%	8.0%
Net Profit	96,986	(140,838)	105,331	1,999,143
Net Profit Margin	0%	0%	0%	3%

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Operating Expenses	(\$4,257,434)	(\$7,967,702)	(\$12,675,490)	(\$15,674,785)
▸ Salaries & Benefits	2,703,674	5,324,699	8,461,579	9,641,927
▸ Technology Development	586,351	939,103	1,542,410	2,060,658
▸ IT & Software	388,515	522,900	617,500	712,200
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Net Profit	96,986	(140,838)	105,331	1,999,143
Net Profit Margin	0%	0%	0%	3%

Key Financial Positives:

- **Strong EBITDA Growth:** Projected growth from \$767K (2024) to \$5.6M (2027)
- **Improving Margins:** EBITDA margin expands from 2.0% (2025) to 8.0% (2027).
- **Net Profit Inflection Point:** Turns positive in 2026; reaches nearly \$2M by 2027.

Key Financial Risks / Concerns:

- **High Expense Growth:** OpEx nearly quadruples from 2024 to 2027; requires strong top-line growth to support.
 - Salaries account for 60-65% of operating expenses
- **Factoring Dependency:** Interest on factoring increases from \$884k in 2025 to \$2.7M by 2027, impacting profitability.
- **2025 Dip:** Net loss of (\$141K) and flat EBITDA in 2025
- **Low Early Margins:** EBITDA margins under 4% through 2026

Major Expenses and Drivers

Tilt's major expenses are driven by operating costs, with salaries and benefits accounting for 60-65% of operating expenses, projected to rise from \$2.7 million in 2024 to \$9.6 million by 2027 as the team scales to support growth. Technology development is another significant cost, increasing from \$586,000 in 2024 to \$2.1 million in 2027, reflecting investments in AI and proprietary platform enhancements. Other costs, including factoring interest (rising from \$884,000 in 2025 to \$2.7 million in 2027) due to the working-capital-intensive brokerage model, and general operational expenses like IT and software (\$388,000 to \$712,000), further contribute to the nearly fourfold expense growth through 2027. These drivers necessitate strong revenue growth to maintain profitability, with a projected EBITDA margin expansion from 2.0% in 2025 to 8.0% in 2027.

Future Financing

Tilt's future financing plan includes a strategic roadmap to list on the London Stock Exchange, specifically considering the AIM market, within the next 24 months, targeting a valuation of approximately \$60 million, as outlined in the due diligence document. This IPO is intended to raise additional capital to fuel growth, particularly in expanding the Capacity Marketplace and TaaS segments, enhancing technology development, and supporting geographic diversification. The decision to pursue an AIM listing reflects a focus on accessing a market known for supporting growth-stage companies, especially in technology and logistics, while leveraging Tilt's strong traction—\$26.3 million in 2024 revenue and a \$70 million TaaS pipeline—to attract investors. This move is seen as a key step to reduce reliance on private funding and provide liquidity, though it will depend on achieving projected financial milestones, such as the \$5.6 million EBITDA by 2027, amidst a competitive landscape.

Financial Discussion

Tilt's financial positives include strong projected EBITDA growth from \$767,000 in 2024 to \$5.6 million by 2027, with EBITDA margins improving from 2.0% in 2025 to 8.0% in 2027, signaling operational scalability. The company also anticipates a net profit inflection point, turning positive at \$105,000 in 2026 and reaching nearly \$2 million by 2027, supported by robust TaaS growth (513% net revenue increase from 2024 to 2025) and Capacity Marketplace revenue of \$26.3 million in 2024. However, financial negatives include a high expense growth rate, with operating expenses nearly quadrupling from 2024 to 2027, driven by salaries (60-65% of OpEx) and rising factoring interest (from \$884,000 in 2025 to \$2.7 million in 2027), which could strain cash flow if revenue growth lags. A net loss of \$141,000 is projected for 2025, with low early



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margins (under 4% EBITDA through 2026) and a significant tax and interest drag of over \$870,000 in 2027, posing risks to profitability amidst competitive pressures.