Descartes – Uniting Business in Commerce

December 2024

Safe Harbor Statement

Certain statements to be made today and in this presentation, and that may be made in response to questions, constitute forward-looking information for the purposes of applicable securities laws ("forward-looking statements"), including, but not limited to: statements using the words "believe," "plan," "expect," "anticipate," "intend," "continue," "may," "will," "should" or the negative of such terms and similar expressions; or statements in relation to any of the following topics: our assessment of the potential impact of geopolitical events, such as the ongoing conflict between Russia and Ukraine (the "Russia-Ukraine Conflict"), and between Israel and Hamas (the "Israel-Hamas Conflict"), or other potentially catastrophic events, on our business, results of operations and financial condition; addressing economic uncertainty; investment in areas of our business with high strategic value and growth potential; our future operating performance; software-as-a-service business model; strategy, market opportunity and vision; our position and opportunity to lead our industry with our business model; solution functionality and benefits derived therefrom; network penetration; ability to complete acquisitions and contribution of completed acquisitions to our operations; anticipated churn in revenues; competition; and forecasted environmental benefits of our products and solutions.

The material assumptions made in making these forward-looking statements include, but are not limited to, the following: global shipment volumes continuing to increase at levels consistent with those experienced historically; the Russia-Ukraine Conflict, and the Israel-Hamas Conflict not having a material impact on shipment volumes or on the demand for the products and services of Descartes by its customers and the ability of those customers to continue to pay for those products and services; countries continuing to implement and enforce existing and additional customs and security regulations relating to the provision of electronic information for imports and exports; countries continuing to implement and enforce existing and additional trade restrictions and sanctioned party lists with respect to doing business with certain countries, organizations, entities and individuals; our continued operation of a secure and reliable business network; the stability of general economic and market conditions, currency exchange rates, and interest rates; equity and debt markets continuing to provide us with access to capital; our continued ability to identify and source attractive and executable business combination opportunities; our ability to develop solutions that keep pace with the continuing changes in technology, and our continued compliance with third party intellectual property rights. While management believes these assumptions to be reasonable under the circumstances, they may prove to be inaccurate. In addition, the forecasted environmental benefits of our products and services are based on projections, reductions and savings derived from various third-party modeling tools identified on our website at www.descartes.com and which rely on various assumptions in their calculations.

These forward-looking statements are also subject to risks, uncertainties and assumptions that may cause future results to differ materially from those expected. Factors that may cause such differences include, but are not limited to: our ability to identify and successfully integrate acquired businesses; the impact of network failures, information security breaches or other cyber-security threats, disruptions in the movement of freight and a decline in shipment volumes including as a result of contagious illness outbreaks; a deterioration of general economic conditions or instability in the financial markets accompanied by a decrease in spending by our customers; departures of key customers; the ability to attract and retain key personnel and transition when key personnel depart; variances in our revenues from quarter to quarter; fluctuations in international currency exchange rates; exposure to greater than anticipated tax liabilities; changes in electronic customs filing regulations and other factors discussed under the headings "Risk Factors" or "Certain Factors That May Affect Future Results" in documents filed with applicable securities regulatory authorities under our profile on SEDAR at www.sedarplus.ca and on EDGAR at www.sec.gov, including the documents incorporated by reference into such documents. If any of such risks actually occur, they could materially adversely affect our business, financial condition or results of operations. In that case, the trading price of our common shares could decline, perhaps materially.

We provide forward-looking statements solely for the purpose of providing information about management's current expectations and plans relating to the future. You are cautioned that such information may not be appropriate for other purposes. Except as required by law, we do not undertake or accept any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements to reflect any change in our expectations or any change in events, conditions, assumptions or circumstances on which any such statement is based.

Investment Highlights

World’s Largest Multi-Modal and Neutral Logistics Network

Cloud-Based Software Applications and Data Content

Automating and Optimizing the Increasingly Complex Logistics Market

Strong Market Position with Significant Competitive Barriers

Industry-Leading Solutions Help Customers Reduce Environmental Footprint

Disciplined M&A Strategy

Highly-Experienced Management Team

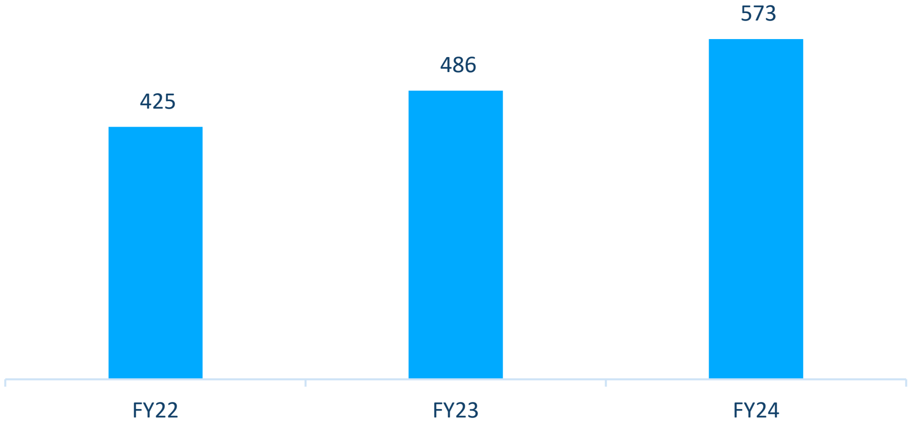
Proven Record of Financial Success

Descartes at a Glance

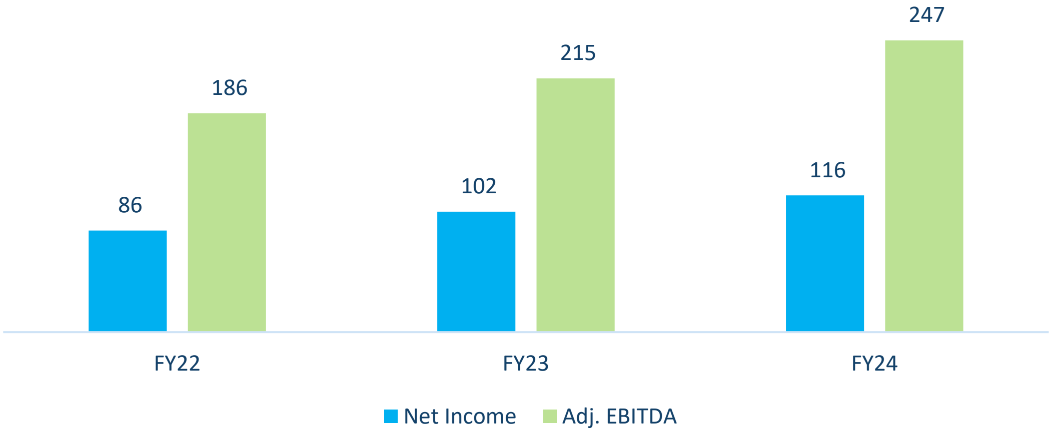
- Leader in providing SaaS solutions for logistics-intensive businesses
- Proven 'Total Growth' model supported by disciplined acquisition strategy
- High-recurring revenue profile
- Delivering profitable growth and free cash flow generation

26,000 + Customers Worldwide	160 + Countries Served
1 billion + Shipments Tracked in Real Time / Year	24 billion + Transactions Processed / Year

Revenues (US$ millions)



Net Income & Adj. EBITDA (US$ millions)[1]



[1] See Reconciliation of Non-GAAP Financial Measures on slides 21 and 22 for our approach to reconciliation of adjusted EBITDA.

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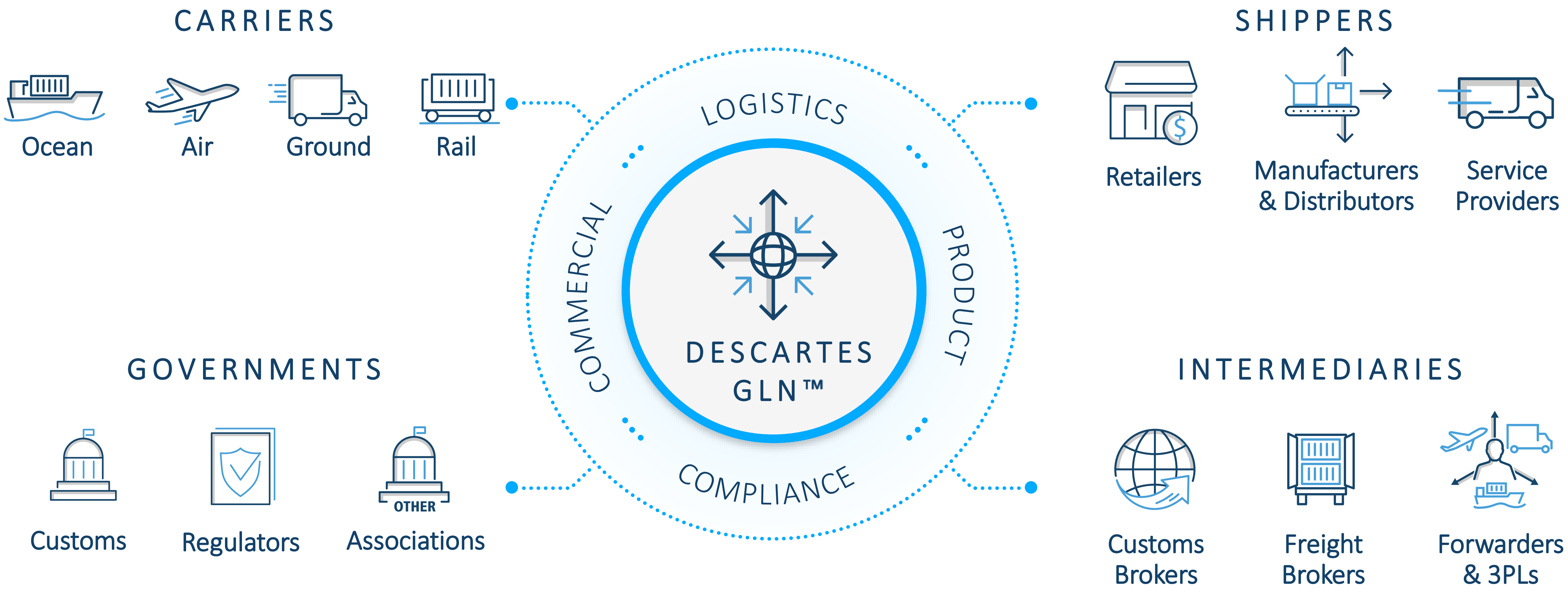
GLOBAL LOGISTICS NETWORK



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SOLUTIONS

Industry-Leading Customers

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AIR	DELTA, American Airlines, AIR CANADA, AIR NEW ZEALAND, BRITISH AIRWAYS, ETIHAD AIRWAYS
OCEAN	ONE (OCEAN NETWORK EXPRESS), CMA CGM, Hapag-Lloyd, msc, WAN HAI LINES LTD., HAMBURG SÜD
TRUCK	XPO Logistics, SCHNEIDER, ESTES, ups, FedEx Ground, DAY & ROSS
INTERMEDIARIES	DHL, KUEHNE+NAGEL, DSV, DB SCHENKER, Expeditors, KWE
RETAILERS	ALDI, THE HOME DEPOT, JOHN LEWIS & PARTNERS, Crate&Barrel, BEST BUY, JUMBO, wayfair
MANUFACTURERS	BASF, Coca-Cola, SAB MILLER, JVCKENWOOD, TOYOTA, Mondelēz International
DISTRIBUTORS	FRESENIUS, PRIMAGAZ, US FOODS, U.S. LBM, sonepar

Customer Case Studies

Leverages Descartes' Advanced Home Delivery solution for:

- Real-time delivery appointment scheduling
- Route optimization and execution
- Mobile resource management solutions

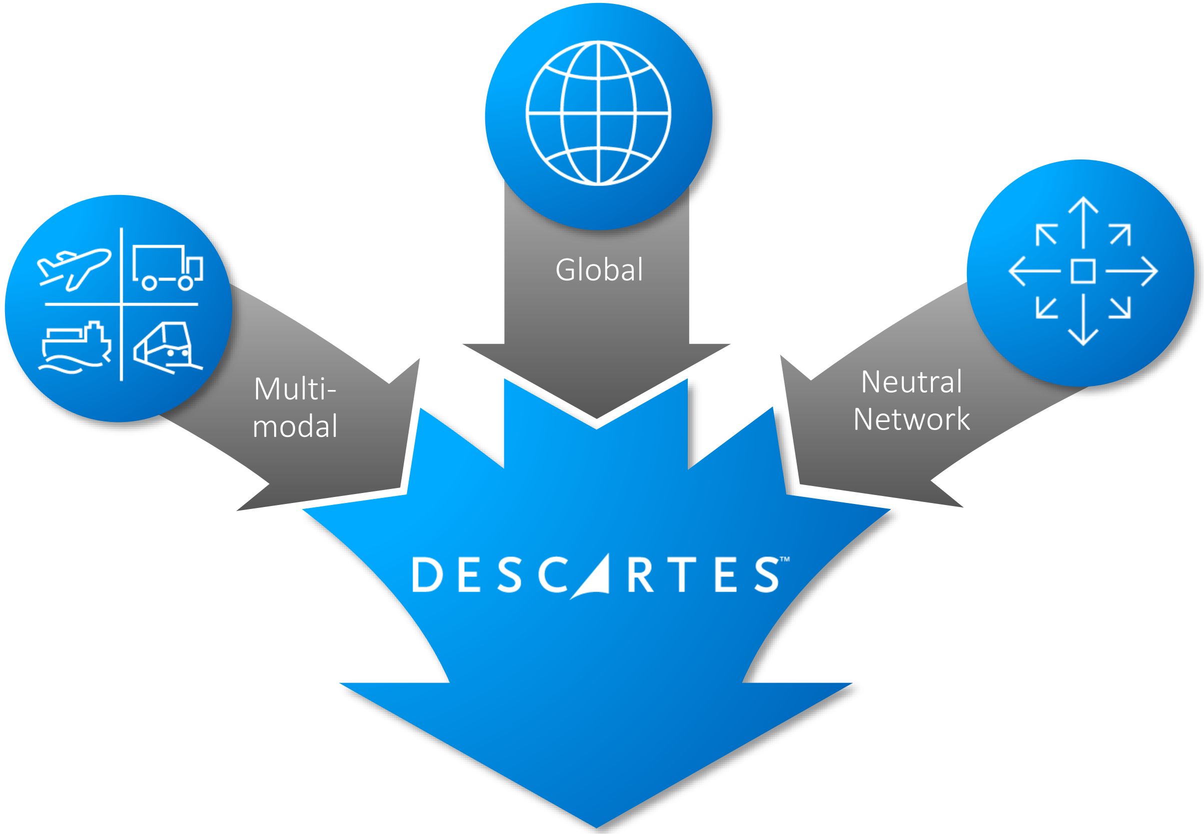
Leverages many Descartes solutions across multiple DHL operating groups:

- Global Forwarding
- DHL Express (Parcels)
- Logistics and supply chain management

Descartes' solutions help Delta Airlines meet a growing number of logistic challenges across the globe:

- Numerous country-specific customs and security filings
- Provide tracking and global visibility solutions
- Operate air messaging network for Delta and its logistics partners

Why We Win



Pure play logistics technology provider with compelling combination of network, applications and data content

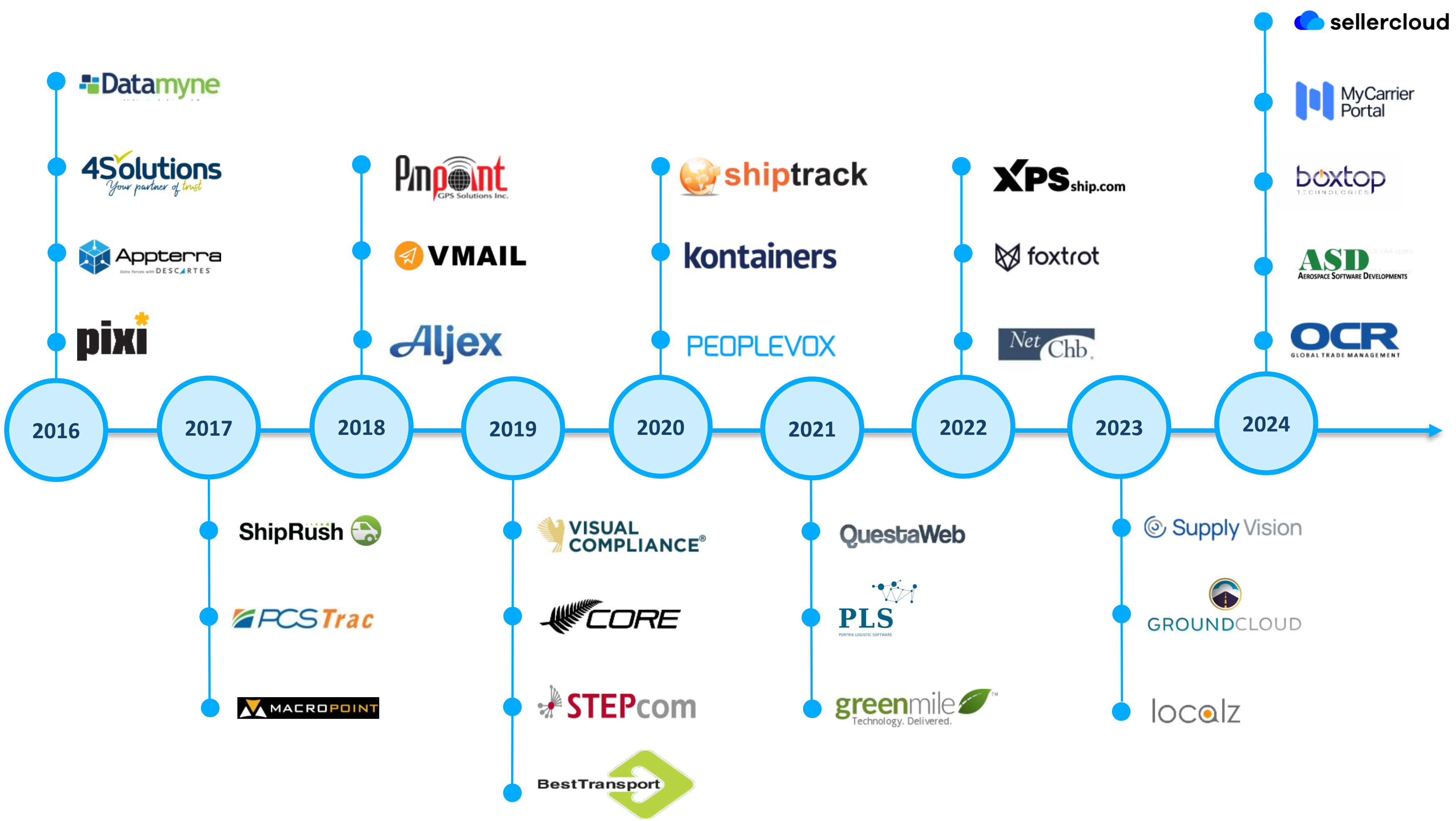
Market Drivers and Opportunities

Cloud Enables Automation	Global Logistics Network offers operational excellence, increased digitization of freight and higher precision through cloud integration and automation
Global Trade Complexity	Heightened regulatory compliance requirements and shifting global trade patterns create favorable tailwinds
eCommerce and Logistics	Descartes solutions help retailers and logistics service providers respond to the threat of Amazon, Google, eBay with real-time delivery route optimization and execution solutions
Real-time Visibility	Real-time tracking and optimization made possible by ubiquitous mobile networks, internet-of-things and cloud-scale computing
Content and Data	Customs Info, MK Data, Datamyne and Visual Compliance acquisitions illustrative of the opportunity to leverage logistics and trade data content on the Global Logistics Network
Fragmented Industry	Logistics and supply chain software markets remain highly fragmented, presenting a large consolidation opportunity

M&A is a Core Competency for Descartes

Descartes' acquisition strategy is a key enabler of its 'Total Growth' model

- Has completed 31 acquisitions since 2016 for a total consideration of ~US $1.3 billion
- Disciplined approach that is focused on complementary technologies, industry consolidation and close adjacencies across logistics
- Core competency in sourcing, acquiring and integrating high quality assets



Recent Acquisition Success

Acquired Sellercloud (October 2024) for ~$110mm + up to ~$20mm earn-out

- Sellercloud is a leading provider of omnichannel ecommerce solutions
- Sellercloud's Inventory Management Solutions and Order Management Solutions (IMS/OMS) help customers synchronize, plan and manage inventory levels across multiple sales channels
- Combined with Descartes' existing ecommerce shipping, fulfilment and warehouse management solutions, presents truly differentiated offering to manage the full lifecycle of domestic and cross-border ecommerce shipments

Acquired OCR (March 2024) for ~$83mm

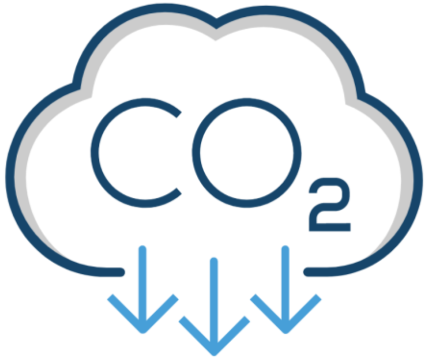
- OCR is a leading provider of global trade compliance solutions and content, with strong domain expertise in export compliance and controlled commodities
- Global EASE, OCR's core platform, is used by blue-chip, multinational organizations around the world to stay current in a rapidly changing regulatory environment
- Presents an opportunity to bring new functionality and enhanced content to Descartes customers and partners around the world

Acquired GroundCloud (February 2023) for ~$138mm + up to ~$80mm earn-out

- GroundCloud is a leader in final-mile logistics automation, combining operations, safety and compliance in an integrated platform
- The GroundCloud platform also incorporates video telematics to provide driving event detection and verification, combined with reactive coaching solutions designed to improve safety
- Presents a tremendous opportunity to leverage GroundCloud's safety content and compliance solutions across a wider set of industry verticals in Descartes' routing and mobile customer base

Industry-Leading Solutions Help Customers Reduce Environmental Footprint

Descartes' Annual Environmental Impact – We Helped our Customers Save



>2 million
metric tons of CO_2

>3.6 billion
sheets of paper

>941 million
liters of fuel

*Infographic Calculations Were Made Using The Paper Calculator From Environmental Paper Network, The Vehicle Co2 Emissions Calculator From Commercial Fleet, Fuel Economy Data From The U.S. Department Of Energy, And Idling Emissions Data From Dieselnet And Frost & Sullivan. SEE FULL DISCLAIMER @ Environmental Impact | Descartes

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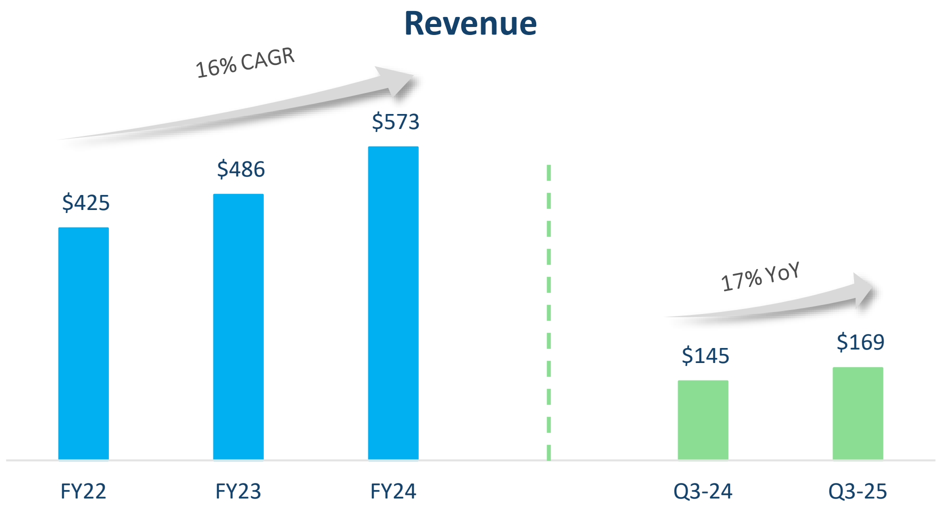
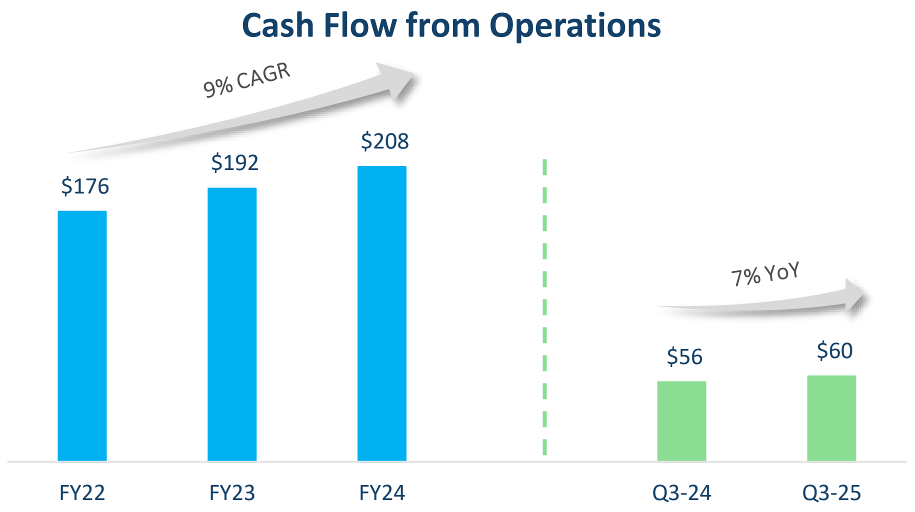
Financial Overview

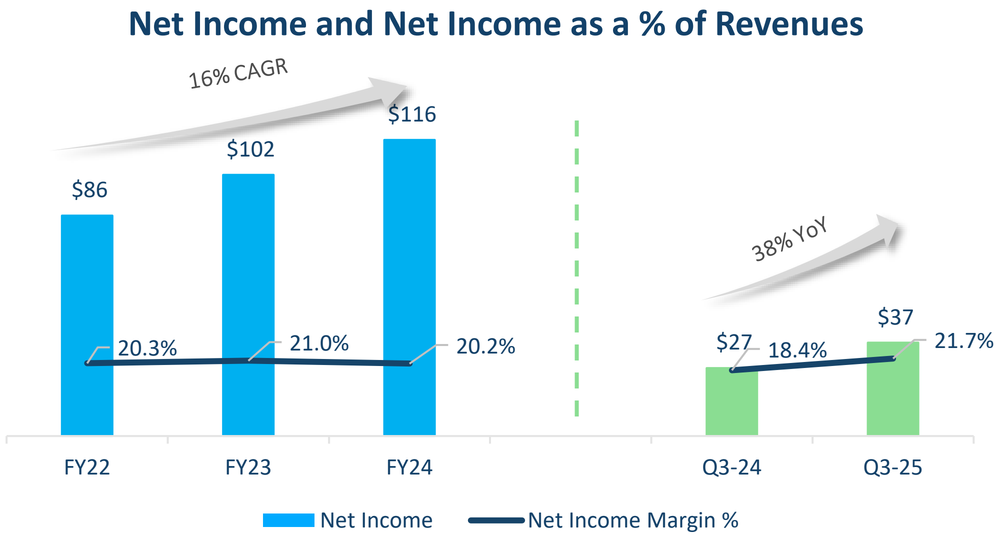
Financial Highlights

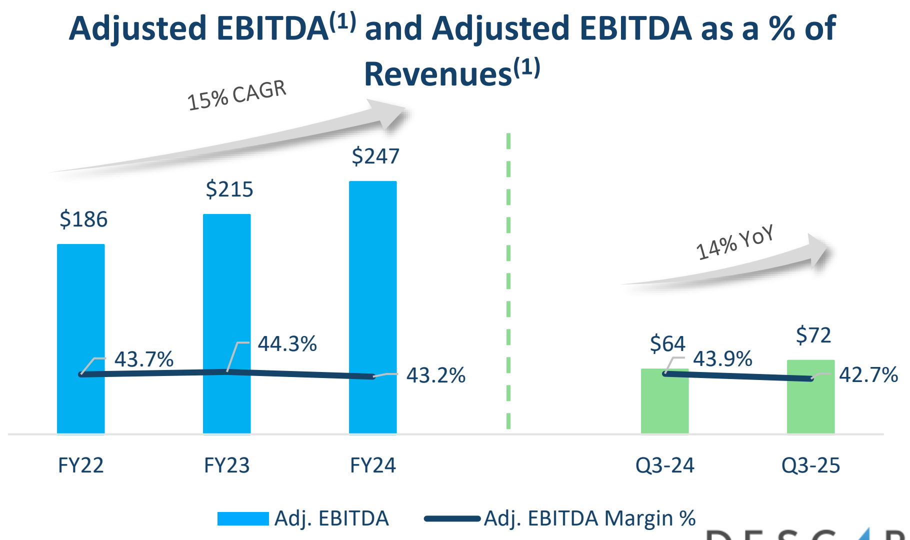
- Strong and consistent revenue growth
- Highly-recurring subscription and transaction-based revenue model
- High-quality and diverse revenue profile
- Continued margin expansion through cost control and operating efficiency
- Robust cash generation and high conversion rates
- Proven acquisition integration success and synergy achievement

Strong and Consistent Growth









(1) See Reconciliation of Non-GAAP Financial Measures on slides 21 and 22 for a reconciliation of adjusted EBITDA and adjusted EBITDA as a percentage of revenues to net income.

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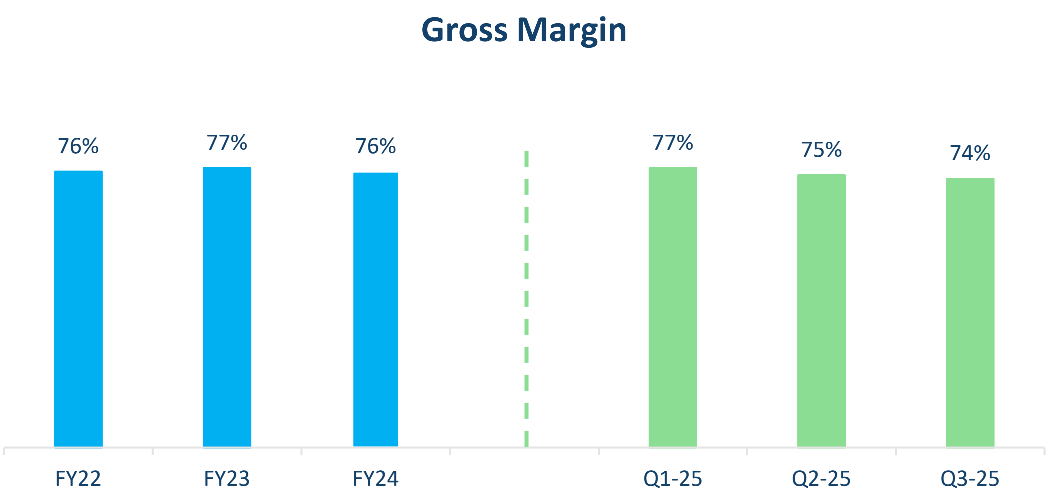
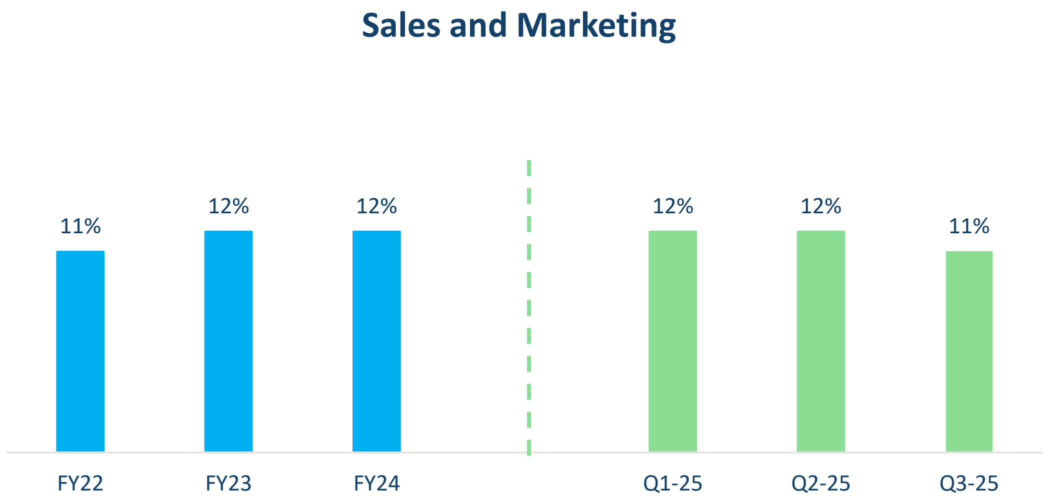
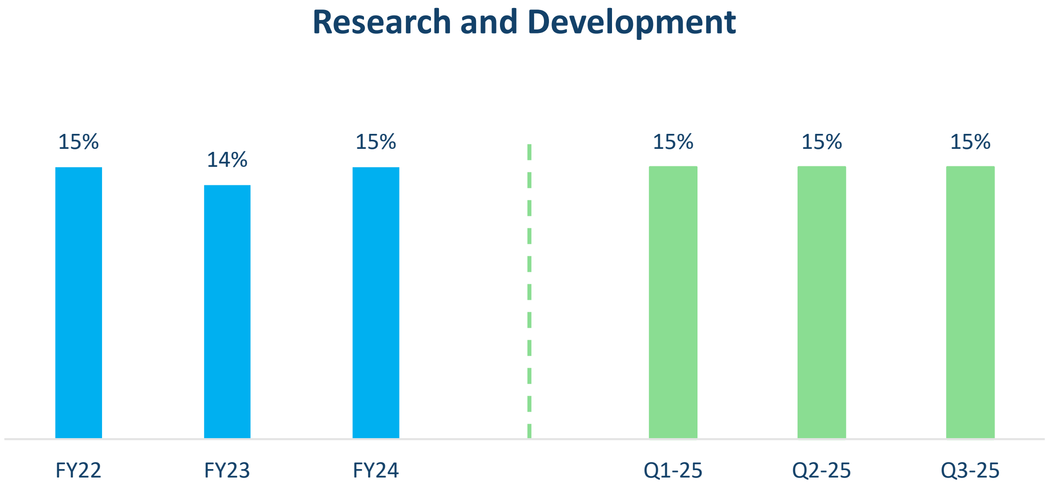
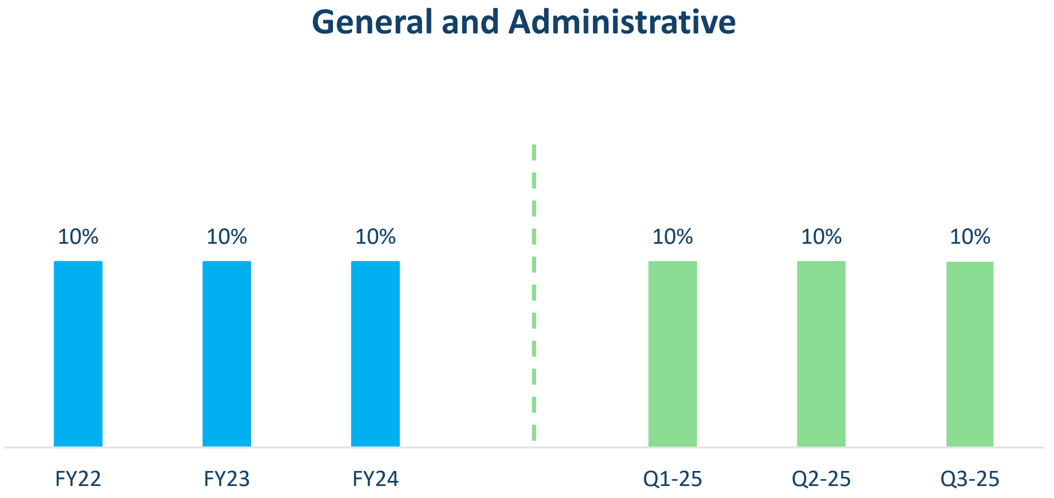
Efficient and Disciplined Operating Model









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Capital Structure – October 31, 2024

- Common shares
  - 85.5 million – Basic (current)
  - 87.3 million – Fully diluted (current)

- Mixed-Shelf filed in July 2024 (no limit – currently unused)
  - Expiring August 2026

- Cash and cash equivalents
  - $US 181.3 million

- Acquisition line of credit
  - $US 350.0 million with the potential to upsize to $US 500.0 million
    - Undrawn as of October 31, 2024, expires December 2027

Baseline Calibration

Figures per Quarter		Baseline	Actual	Actual % of Baseline
Q4’24	Revenue	$127.0	$148.2	117%
	Net Income		$31.8	
	Net Income as a % of Revenues		21.5%	
	Adj. EBITDA	$48.0	$65.7	137%
	Adj. EBITDA % of Revenues	37.8%	44.3%	
Q1’25	Revenue	$130.5	$151.3	116%
	Net Income		$34.7	
	Net Income as a % of Revenues		22.9%	
	Adj. EBITDA	$49.5	$67.0	135%
	Adj. EBITDA % of Revenues	37.9%	44.3%	
Q2’25	Revenue	$136.0	$163.4	120%
	Net Income		$34.7	
	Net Income as a % of Revenues		21.2%	
	Adj. EBITDA	$52.0	$70.6	135%
	Adj. EBITDA % of Revenues	38.2%	43.2	
Q3’25	Revenue	$141.0	$168.8	120%
	Net Income		$36.6	
	Net Income as a % of Revenues		21.7%	
	Adj. EBITDA	$53.5	$72.1	135%
	Adj. EBITDA % of Revenues	37.9%	42.7%	
Q4’25	Revenue	$144.5		
	Net Income			
	Net Income as a % of Revenues			
	Adj. EBITDA	$55.0		
	Adj. EBITDA % of Revenues	38.1%		

- Baseline revenues = visible, contracted and recurring revenues at the beginning of each quarter[1]. Baseline revenues is not a revenues projection as it excludes sales concluded in the period
- Baseline Adjusted EBITDA[2] = Baseline revenue less operating expenses (excluding investment income, interest expense, income tax expense, depreciation, amortization, stock-based compensation, restructuring expenses, acquisition related expenses, and contingent consideration incurred due to better-than-expected performance from acquisitions)

[1] For a detailed description of baseline calibration, please see Management’s Discussion & Analysis (MD&A) dated December 3, 2024. Baseline calibration is typically calculated on the first day of the quarter unless adjusted to reflect the impact of any acquisitions completed after the first day of the quarter, but before the date of our corresponding MD&A in which that baseline calibration is disclosed. Baseline calibration is considered a supplementary financial measure used by management as it does not have a directly comparable financial measure disclosed in our financial statements.

[2] See Reconciliation of Non-GAAP Financial Measures on slides 21 and 22 for our approach to reconciliation of adjusted EBITDA.

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Reconciliation of Non-GAAP Financial Measures - Adjusted EBITDA and Adjusted EBITDA as a percentage of revenues – Q3-25

We prepare and release quarterly unaudited and annual audited financial statements prepared in accordance with GAAP. We also disclose and discuss certain non-GAAP financial information, used to evaluate our performance, in this and other earnings releases and investor conference calls as a complement to results provided in accordance with GAAP. We believe that current shareholders and potential investors in our company use non-GAAP financial measures, such as Adjusted EBITDA and Adjusted EBITDA as a percentage of revenues, in making investment decisions about our company and measuring our operational results.

The term "Adjusted EBITDA" refers to a financial measure that we define as earnings before certain charges that management considers to be non-operating expenses and which consist of interest, taxes, depreciation, amortization, stock-based compensation (for which we include related fees and taxes) and other charges (for which we include restructuring charges, acquisition-related expenses, and contingent consideration incurred due to better-than-expected performance from acquisitions). Adjusted EBITDA as a percentage of revenues divides Adjusted EBITDA for a period by the revenues for the corresponding period and expresses the quotient as a percentage.

Management considers these non-operating expenses to be outside the scope of Descartes' ongoing operations and the related expenses are not used by management to measure operations. Accordingly, these expenses are excluded from Adjusted EBITDA, which we reference to both measure our operations and as a basis of comparison of our operations from period-to-period. Management believes that investors and financial analysts measure our business on the same basis, and we are providing the Adjusted EBITDA financial metric to assist in this evaluation and to provide a higher level of transparency into how we measure our own business. However, Adjusted EBITDA and Adjusted EBITDA as a percentage of revenues are non-GAAP financial measures and may not be comparable to similarly titled measures reported by other companies. Adjusted EBITDA and Adjusted EBITDA as a percentage of revenues should not be construed as a substitute for net income determined in accordance with GAAP or other non-GAAP measures that may be used by other companies, such as EBITDA. The use of Adjusted EBITDA and Adjusted EBITDA as a percentage of revenues does have limitations. In particular, we have completed seven acquisitions since the beginning of fiscal 2024 and may complete additional acquisitions in the future that will result in acquisition-related expenses and restructuring charges. As these acquisition-related expenses and restructuring charges may continue as we pursue our consolidation strategy, some investors may consider these charges and expenses as a recurring part of operations rather than expenses that are not part of operations.

The table below reconciles Adjusted EBITDA and Adjusted EBITDA as a percentage of revenues to net income reported in our unaudited Consolidated Statements of Operations for Q3FY25, Q2FY25, Q1FY25, Q4FY24, and Q3FY24 which we believe is the most directly comparable GAAP measure.

(US dollars in millions)	**Q3FY25**	Q2FY25	Q1FY25	Q4FY24	Q3FY24
Net income, as reported on Consolidated Statements of Operations	**36.6**	34.7	34.7	31.8	26.6
Adjustments to reconcile to Adjusted EBITDA:					
Interest expense	**0.2**	0.2	0.3	0.3	0.3
Investment income	**(2.9)**	(2.7)	(4.1)	(3.4)	(2.7)
Income tax expense	**11.9**	13.6	11.5	8.3	8.2
Depreciation expense	**1.4**	1.4	1.4	1.4	1.5
Amortization of intangible assets	**17.5**	17.4	15.0	15.1	15.3
Stock-based compensation and related taxes	**5.6**	5.8	4.3	4.7	4.6
Other charges	**1.8**	0.2	3.9	7.5	9.7
Adjusted EBITDA	**72.1**	70.6	67.0	65.7	63.5
Revenues	**168.8**	163.4	151.3	148.2	144.7
Net income as % of revenues	**22%**	21%	23%	21%	18%
Adjusted EBITDA as % of revenues	**43%**	43%	44%	44%	44%

For more information on the reconciliation of Non-GAAP financial measures in the current period, please refer to our press release dated December 3, 2024: https://www.descartes.com/who-we-are/news-events/financial-news. For more information on the reconciliation of Non-GAAP financial measures for previous periods please refer to: https://www.descartes.com/who-we-are/investor-relations/financial-information

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Reconciliation of Non-GAAP Financial Measures - Adjusted EBITDA and Adjusted EBITDA as a percentage of revenues – FY24

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The table below reconciles Adjusted EBITDA and Adjusted EBITDA as a percentage of revenues to net income reported in our audited Consolidated Statements of Operations for FY24 and FY23, which we believe is the most directly comparable GAAP measure.

(US dollars in millions)	**FY24**	FY23
Net income, as reported on Consolidated Statements of Operations	**115.9**	102.2
Adjustments to reconcile to Adjusted EBITDA:		
Interest expense	**1.4**	1.2
Investment income	**(9.7)**	(4.5)
Income tax expense	**35.2**	31.5
Depreciation expense	**5.5**	5.2
Amortization of intangible assets	**60.5**	60.2
Stock-based compensation and related taxes	**17.1**	13.9
Other charges	**21.6**	5.5
Adjusted EBITDA	**247.5**	215.2
Revenues	**572.9**	486.0
Net income as % of revenues	**20%**	21%
Adjusted EBITDA as % of revenues	**43%**	44%

For more information on the reconciliation of Non-GAAP financial measures for FY24, please refer to our press release dated March 6, 2024: https://www.descartes.com/who-we-are/news-events/financial-news. For more information on the reconciliation of Non-GAAP financial measures for previous periods please refer to: https://www.descartes.com/who-we-are/investor-relations/financial-information

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