

Xeneta Closes \$28.5M Series C as Global Shipping Industry Faces Unprecedented Challenges

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Xeneta, the leading ocean and air freight rate benchmarking platform and container shipping index, today announced the successful close of its \$28.5 million Series C round at over a \$130 million valuation. The funding was led by New York-based Lugard Road Capital, Xeneta's first U.S. investor, with additional contributions from existing investors Creandum and Investinor. Lugard Road will join Xeneta's earlier investors London-based Smedvig Capital, Point Nine Capital and Alliance Venture, bringing the total raised by Xeneta to \$49 million. The funding will be used to scale operations across the company, develop Xeneta's commercial and technical partner channels, expand into new regions and build out its in-house data analyst team to provide greater market insights into the ocean and air freight industry to help guide the rebound of global supply chains.

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Xeneta has positioned itself as the industry pioneer for ocean container and air freight rate market intelligence, challenging the status quo of the traditional, volatile shipping markets. Through digitization and its crowdsourced-approach of gathering ocean and air freight rates, the company offers the most comprehensive global container pricing index, providing full freight pricing transparency to all stakeholders involved in the \$300bn international container and air freight trade industry.

“As a result of COVID-19, the Suez Canal fiasco and the current Shenzhen Yantian port congestion, global trade and the supply chain have been severely crippled, presenting a slew of reliability and capacity challenges as well as record-high shipping rates,” said Patrik Berglund, CEO and co-founder at Xeneta AS. “Yet, despite these global trade challenges, the last year has been a successful one for our company, as it shed light on the industry's need for transparency in rates to keep the supply chain gears in motion. We're committed to using this next round of funding to further address the market pain points and provide greater insights for companies navigating these rough waters.”

In recent months, Xeneta has welcomed several new customers onto its platform such as General Mills, Volvo, John Deere, Amer Sports, Rockwell Automation, Volvo and CEVA Logistics – all looking to gain better market visibility into freight rate pricing factors and minimize the supply chain disruptions.

The broken state of the global supply chain has led to further disruptions, as manufacturers are starting to cancel shipments due to insurmountably low profit margins. Across the board, shippers of all sizes are experiencing unreliable transport capacities and incalculable

replenishment times, no matter their volume size. While importers and retailers alike continue to report record lows for their inventory-to-sales ratios, there are no imminent signs of relief with recent surges in customer demand and declines in carrier reliability as the shipping industry nears peak season. As a result, short-term ocean freight rates have reached all-time highs and are projected to remain at elevated levels through the rest of 2021.

“Xeneta is addressing a critical and immediate need for better freight rate data insights,” said Doug Friedman, partner at Lugard Road Capital. “We are confident that Xeneta’s intelligent ocean and air freight market data platform will provide immediate actionable insights to an industry currently experiencing historical supply chain disruptions.”

“It’s been great to be part of the Xeneta journey since the Creandum funds’ first seed capital investment back in 2013, and the sheer market potential and opportunity for Xeneta has never been better,” said Fredrik Cassel, partner at Creandum. “The team has done a phenomenal job at navigating and excelling during the current COVID crisis. We look forward to continuing on the ride and working together with Lugard Road Capital in Xeneta’s next phase of growth and market potential.”

Companies participating in Oslo-based Xeneta’s crowd-sourced ocean and air freight rate benchmarking and market analytics platform include names such as ABB, Electrolux, Continental, Unilever, Nestle, L’Oréal, Thyssenkrupp, Volvo Group and John Deere, amongst others.

Pareto facilitated the new equity issuance, and Advokatfirmaet DLA Piper Norway DA acted as legal advisor in the transaction to Xeneta.

Source: Xeneta