ANNUAL SHAREHOLDERS MEETING

A. CHAIRMAN'S INTRODUCTION

Slide 1. Freightways - 31 October 2019, Annual Shareholders Meeting

Slide 2. Heritage slide

Slide 3. Mark Verbiest, Chairman

Shareholders and guests, welcome to Freightways' Annual Shareholders Meeting. My name is Mark Verbiest and I am the Chairman of Freightways.

Before we proceed, I would like to point out some housekeeping matters. The bathrooms are located along the corridor. In the unlikely event of an emergency, you will be required to evacuate and assemble outside the building in a designated safe area. Should this occur please exit the room through the rear doors and follow the directions of Eden Park staff. Please also take this opportunity to switch your mobile phones to silent.

Slide 4. Agenda

I would now like to run through the structure of the meeting.

- I will begin with procedural matters, introduce the Freightways Board and some of the team to you, and then summarise some of the Company's 2019 highlights. I will then ask Mark Troughear, Freightways' Chief Executive Officer, to provide a review of the Company, an update on current trading performance and a commentary on our very recent acquisition of Big Chill Distribution.

- I ask that you hold all questions about the performance of the Company until the close of the CEO's presentation and direct them through me. Any questions related to formal resolutions outlined in the Notice of Meeting should be asked when we consider those resolutions.

- Following the CEO's presentation, I will introduce the formal resolutions as outlined in the Notice of Meeting and polls will be held in respect of them. The polls will be conducted following the meeting.

- The Notice of Meeting, which includes the explanatory notes, was circulated to all shareholders and I intend to take it as read.

The Company's constitution prescribes a quorum requirement of 3 shareholders. As you can see this requirement is met. As a quorum is present, the meeting is duly constituted and I declare it open.

Proxies have been appointed for the purpose of this meeting in respect of approximately 77 million ordinary shares. As was indicated on the proxy form, where proxy discretion has been given, the Directors, and I as Chairman, intend to vote those proxies we have received in favour of resolutions 1, 2, 4 and 5 set out in the Notice of Meeting. As also indicated on the proxy form, unless directed how to vote by the shareholder giving the proxy in respect of resolution 3 relating to Directors' fees, the Directors, including myself, will not be able to vote on resolution 3 on behalf of the proxy. As generally requested by the New Zealand Shareholders Association, we will not disclose for each resolution the voting of valid proxies received before shareholders vote today, and as usual we will declare the outcome of the polls after the meeting on the NZX.

I would now like to introduce those at the table with me:

Your Directors are:

- Kim Ellis - Kim was appointed a Director in 2009, having spent 28 years in chief executive roles in a number of sectors, including 13 years as Managing Director of Waste Management NZ Limited. Kim is Chairman of Metlifecare, Sleepyhead Group and NZ Social Infrastructure Fund and has a number of other directorships, including Port of Tauranga.

- Abby Foote - Abby joined the Board in June of last year and is qualified in both law and accounting. She brings to the Board over 10 years' of governance experience, including time spent in senior management roles. Abby is currently Chair of Z Energy, and a director of TVNZ and Sanford Limited.

- Mark Rushworth - Mark was appointed a Director in 2015 and has extensive experience in the technology sector, with a decade's governance experience, predominantly in the high tech and innovation space. He has widespread operational and marketing experience. He spent 4 years on the senior executive team of Vodafone NZ and has previously served as CEO of Pacific Fibre, ihug and Paymark. Mark is currently CEO of private equity-owned UP Education.

- Andrea Staines - Andrea is a professional director based in Australia and was appointed to the Board in August last year. Andrea has 12 years' governance experience on the Boards of a range of Australian entities, mostly in the transport and retail services sectors, having previously held senior management roles in the airline industry, in particular. She is currently a director of Sealink Travel (Australia), UnitingCare Queensland and the Australian National Disability Insurance Scheme Agency.

- I was appointed a Director of Freightways in February 2010 and elected Chairman in October last year. I am a lawyer by training and have widespread corporate legal experience in private practice, having also spent over 7 years on the senior executive team of Telecom NZ through until mid-2008, where among other things I had executive accountability for two business units. I'm currently

Chairman of Meridian Energy Limited, PE Fund Willis Bond Capital Partners Limited and Mycare Limited, a privately-held early stage digital company, and a director of ANZ Bank New Zealand. I'm also a member of the Advisory Board of The Treasury.

- Our sixth director, Peter Kean, who is not here, has sent his apologies for being unable to attend today's meeting. Peter was appointed a Director in 2016, bringing to Freightways many years of senior executive experience with the Lion group of companies in both New Zealand and Australia. After retiring from Lion in 2014 he has developed a career in governance. Peter is also a Director of Sanford Limited, the New Zealand Rugby Union and a number of private companies.

Also at the table are:

- Mark Royle, Freightways' Chief Financial Officer and Company Secretary. Mark was appointed to these roles 19 years ago. Mark is a key contributor to the strategic direction and performance of the Company, with over 30 years accounting and commercial experience, including 13 years at a major international chartered accounting firm; and

- Mark Troughear, Freightways' Chief Executive Officer, who was appointed to the role of CEO in January 2018. Mark has been with Freightways in various senior executive roles for over 20 years and has a comprehensive knowledge of the group's operations across both the Express Package & Business Mail division and the Information Management division.

Also present today are representatives from the Freightways executive team who you will be able to meet following the meeting. This executive team has considerable experience, often in more than one Freightways business, and has an average tenure at Freightways of almost 20 years per executive.

The Company's Auditors, PricewaterhouseCoopers, are represented here today by Leo Foliaki and the Company's legal advisors, Russell McVeagh, are represented here today by David Raudkivi.

The Financial Statements for the year ended 30 June 2019 are set out in the Company's Annual Report that was released to shareholders last month. This is the second year where we have endeavoured to give shareholders and other interested parties a lot more information about what we do at Freightways. At the same time, we have reported on our environmental footprint, as we did last year, using the Sustainable Development Goals developed by the United Nations. Mark Troughear will talk to you more about our work on intensification of our network, which works toward reducing our environmental impact.

We have written about the importance of our people, including our independent contractor network, to give insight into how these essential relationships work, and how we value career advancement, reward and safety for all our people. We also describe our work towards being a good corporate citizen, especially amongst the communities we work in. The intent is to continually improve our reporting to you, our shareholders, on the matters we think are most relevant to our business.

I would now like to speak briefly to some of the financial highlights of Freightways' 2019 year. I will then ask Mark Troughear to address you.

Slide 5. General highlights - 2019 (cover slide)

Slide 6. Highlights - Express Package & Business Mail

The latest full year's results for the year ended 30 June 2019 reflect the ongoing strength of the Freightways businesses.

The express package & business mail division delivered a solid result. We completed a number of business-critical IT projects to enable our new Pricing for Effort initiative for residential deliveries. Improved route density also resulted in an increase in average earnings for our independent contractors of 7% above the prior year. Sharing the spoils with our contractors is a tenet of a sustainable and profitable business model for both the company and our contractors. We loathe to tamper with this model, given its success over many, many years. DX Mail has expanded its network to facilitate the growth achieved from marketshare gains.

Slide 7. Highlights - Information Management

The information management division saw earnings from its Australian operations surpass its New Zealand business in 2019, highlighting the division's success in leveraging a national footprint on each side of the Tasman to drive earnings and position it for further growth. In particular, utilisation of Australian facilitates improved by 10%. Ongoing growth in the division's digital service offerings continues to be underpinned by the successful completion of major data collection and transformation projects, which are leading to new opportunities in that space. Recent expansion into the medical waste industry in Australia is successfully diversifying the division's activities.

Slides 8. Financial highlights - 2019

This slide presents the reported 2019 result and the underlying trading result compared to the prior comparative period, excluding the impact of non-recurring items. EBITA refers to earnings (or operating profit) before interest, tax and amortisation. NPAT refers to net profit after tax. EPS refers to earnings per share.

The 2019 non-recurring items comprised a non-taxable benefit of $0.5 million relating to reversing an accrued final acquisition payment no longer expected to be required, and a non-taxable $1.9 million gain relating to recording the replacement of earthquake-damaged racking funded by insurance proceeds.

The 2018 non-recurring items comprised a non-taxable benefit of $1.6 million relating to reversing an accrued final acquisition payment no longer required, and a non-taxable $1 million gain relating to recording the replacement of earthquake-damaged racking funded by insurance proceeds.

While these non-recurring items were included in the full year financial statements contained in your annual report, we believe for the purposes of assessing the underlying year-on-year operational performance of Freightways, these one-off items should be excluded and accordingly have been excluded for this presentation and my commentary.

Consolidated operating revenue of $616 million for the 2019 full year was 6% higher than the prior comparative period.

EBITA of $97 million was 3.2% higher than the prior comparative period.

Consolidated NPAT of $61 million was 2.3% higher than the prior comparative period.

EPS for the full year (and again exclusive of non-recurring items) was 39.3 cents per share, also a 2.3% improvement on the prior comparative period.

Overall, the full year result delivered year-on-year revenue, earnings and dividend growth.

Sustained strong cash generation from all divisions resulted in further reduced debt gearing levels, giving us the opportunity to look for further growth opportunities.

Slide 9. Express Package & Business Mail division - 2019 performance

As mentioned, this division produced a solid result, while investing in its IT capabilities to enhance its service delivery. Revenue was up year on year by 5.6%, while EBITA was up 6.3%.

2019 was a year of two halves for the express package businesses with respect to organic growth levels. The first half was characterised by solid organic growth (circa 2.5%), whereas same-customer volume flattened off noticeably in the second half of the year. Consequently, revenue and earnings were stronger in the first half of the year than the second half.

Some hard calls were also made on low margin business during 2019, with pricing reviews for customers where margins were unacceptably low for the value provided through our networks. The results were pleasing for the year when these factors, alongside material contractor earnings and wage increases, were also taken into account.

Freightways' small postal business, DX Mail, has come under direct attack from NZ Post's new zonal pricing structure for bulk mail, which effectively offers the cheapest rates to those areas that DX Mail delivers into, and more expensive rates to those areas where DX Mail does not deliver. Needless to say, we have been in dialogue with the NZ Commerce Commission in respect of NZ Post's pricing behaviour. Meanwhile, DataPrint, Freightways' mailhouse business, expanded its range of services during 2019 and is well positioned to help customers transition to digital communications, augmented by high quality physical delivery through DX Mail.

Overall, year-on-year earnings growth from this division in 2019 was an excellent contribution to Freightways' results.

Slide 10. Information Management division - 2019 performance

Operating revenue for the information management division in 2019 was $164.5 million, 6.9% higher than 2018.

EBITA, on the other hand, of $29.3 million, was 1.9% lower than 2018, as Shred-X, in particular, invested in growing its fleets through New South Wales, Victoria and Queensland in response to demand from medical waste and product destruction customers. In addition, Shred-X also incurred transition costs while merging its Western Australia site with a recently-acquired document destruction business, completing that initiative by May 2019.

While utilisation of our document storage facilities led to improved margins in Australia and New Zealand, the margins generated from data transformation were slightly lower.

Although slightly down on 2018, the IM division's 2019 contribution to Freightways' earnings was sound, while it positions itself for future growth opportunities in many of its newly-developed revenue streams, including within niches of the waste and destruction industries and in the growing digital transformation market.

Slide 11. Final Dividend - 2019

The Directors declared a final dividend of 15.5 cents per share, fully imputed, which was paid at the start of this month. This represented a pay-out of approximately $24.1 million compared with $23.7 million for the prior comparative period; a 2% increase. The full year's dividend pay-out was in line with the Company's dividend policy of paying 75% of annual NPATA, excluding any non-cash, non-recurring items.

The Dividend Reinvestment Plan - or DRP - was not offered in relation to this dividend. As a capital management tool, the application of the DRP will continue to be reviewed for each future dividend.

Slide 12. Dividend Payment History

As this slide shows, Freightways has been improving its dividend payout year on year for the last 10 years. This is testament to the strength of Freightways' business models, the expertise of its people and the positive features of the markets it operates in. This was once again evident in the 2019 full year result and the Directors acknowledge the outstanding work and ongoing dedication of the Freightways team of people throughout New Zealand and Australia.

Slide 13. Big Chill Distribution

As many of you would be aware, we announced the acquisition of Big Chill yesterday on the NZX. While it does still remain subject to Overseas Investment Office approval, this is an exciting acquisition, which aligns with Freightways' core strategic capabilities as a business that "Picks up, processes and delivers." I will leave Mark Troughear to expand on the key points and further rationale for this acquisition in his address shortly.

Slide 14. Corporate Governance

The New Zealand Stock Exchange released a new Corporate Governance Code in 2017 that took effect for Freightways for the first time during 2018. As a responsible corporate citizen, Freightways is in compliance with this new Code. In addition, I refer you to the extensive information and reports available on our website. If you haven't seen the latest Annual Report please take the time to view it on Freightways' website. I think you'll find it informative.

I'll now call on Freightways' CEO, Mark Troughear, to address the meeting.

Slide 15. Freightways – Mark Troughear, Chief Executive Officer

B. CHIEF EXECUTIVE OFFICER'S REVIEW AND TRADING UPDATE

Thanks Mark and thank-you ladies and gentlemen for coming along today.

Slide 16. Chief Executive Officer's presentation agenda

- Business Strategy
- Acquisition Activity
- ESG Initiatives
- Trading Update
- Outlook

Slide 17. Express Package, Business Mail, Information Management and Secure Destruction Brands

Slide 18. Express Package & Business Mail (cover page)

Slide 19. Express Package

1. Continue to drive the industry standard for contractor earnings, service quality and productivity
2. Improve revenue and margin per item through Pricing for Effort and improved revenue capture
3. Utilise technology to improve visibility for both customers and our teams in terms of parcel tracking, route optimisation, customer reporting and parcel notifications
4. Implement new service offerings to target niches with growth potential

Slide 20. PFE Residential Average Pricing

1. This graph represents the average price per item and shows the improvement we have achieved after the first quarter of $0.55 cents per item. Our target is to add another $0.20 cents by the end of the year.

Slide 21. Business Mail

1. Continue to target customers who require superior service levels
2. Provide a bundled digital & physical mail delivery service
3. Improve productivity by 5% through the postie network
4. Retention of our volume post customers despite NZ Post targeting DX Mail delivery areas at a lower price point

Slide 22. Information Management Cover Page

Slide 23. Information Management

1. Improve margins in Australia by improving the utilisation of our facilities by 20% over the next 2 years
2. Exploit our digitisation capability in NZ and Australia to target scale opportunities
3. Develop new services to market to our large trans-Tasman customer bases
4. Continually assess the return on investment for individual services

Slide 24. Secure Destruction Cover Page

Slide 25. Secure Destruction

1. Continue to add density to our networks through market share and bolt-on acquisitions
2. Develop new lines of business which share common capability: Product and eDestruction
3. Improve our ability to quickly integrate acquisitions into our systems and operations
4. Explore avenues in NZ to copy the Australian business model

Slide 26. Acquisitions & Alliances

1. Acquisitions completed in 2019
- Secure Destruction – SSS Destruction Western Australia
- Record Storage – Formfile Victoria
- Digital Services – Back Online 75% share

2. Acquisitions completed in Q1, 2020
- Secure Destruction – Green Team South Australia
- Medical Waste – Country Hygiene New South Wales
- Digital Services – GoSweetSpot 33% share
  - GoSweetSpot provides an electronic platform for customers who require courier bulk freight and international freight services.
  - GoSweetSpot has been highly successful in growing its market of small and medium sized customers.
  - It also provides a platform to target growth in Australia.

3. Continue to explore opportunities to add bolt-on acquisitions to current lines of business, as well as acquisitions which are complementary to our business model

Slide 27. Overview of Big Chill

Slide 28. Market Leading Operator

- 200 Chiller/Freezer truck and trailer fleet
- 2 million shipments in 2018
- 11,000sqm purpose-built depots over 9 sites nationwide, growing 3pl facilities
- 370 full time staff and contractors
- 500+ active customers with long tenure
- Over 95 years sector experience across management and vendor shareholders

Slide 29. Growth Opportunities

1. Cold 3PL Expansion
- Expansion of Auckland facility to 9,300 pallets to be completed in March 2020 in response to customer demand
- Favourable supply-demand imbalance in the current temperature-controlled 3PL market

2. Network Enlargement
- Strong demand is supporting network expansion
- Number of extensions to existing depots and new locations are well advanced

3. Synergies
   - Potential last mile service / temperature-controlled delivery fleets
   - Cross-selling across respective customer bases and utilisation of respective network strengths

Slide 30. Financial Overview and Transaction Funding

1. Initial purchase price payment in cash of $117m for 100% of Big Chill, adjusted for completion adjustments, and a final payment later in 2022
2. To be funded through existing and increased bank facilities
3. Post-acquisition, Freightways will briefly have pro-forma net debt / EBITDA approaching ~2.00x. Expect to reduce this to ~1.75x in the short term through ongoing cash generation and a number of other business initiatives. Freightways is comfortable with these levels of gearing
4. Assuming early 2020 settlement, Freightways anticipates the transaction will deliver mid-single-digit EPS accretion on a pro-forma full year basis (pre-synergies)
5. The value of the final purchase price payment will represent 20% of Big Chill's EV as at 30 June 2022, calculated using actual FY22 EBITA at an agreed multiple determined by EBITA growth achieved in FY21

Slide 31. ESG Initiatives

- SDG 3 Good health and well-being
- SDG 8 Decent work and economic growth
- SDG 9 Industry, innovation and infrastructure
- SDG 13 Climate action
- SDG 16 Peace, justice and strong institutions

Slide 32. ESG Initiatives

- SDG 8: Driven a 7% increase in average contractor earnings to $103.5k per annum
- SDG 8: Maintained wage rates above minimum wage for FRE employees
- SDG 8: Put 216 of our team through personal improvement training to assist them develop their careers within Freightways

Slide 33. ESG Initiatives

- SDG 3: The Movement - Established a companywide physical and mental health well-being campaign to engage staff and contractors across NZ and Australia
- SDG 3: Lead partner for KidsCan Shoes for Kids programme

Slide 34. ESG Initiatives

- SDG13: Implementation of run intensification programme and fleet modernisation has assisted in achieving a further reduction of in Co2 emissions
- SDG13: Emissions per revenue unit have decreased by 5%

- SDG13: Actively reviewing new technology vs the tasks required to be performed and ensuring our contractors are remunerated to be able to make the investment in that technology when it is proven

Slide 35. Q1 Trading Update Cover Page

Slide 36. Q1 Consolidated Performance

This slide shows our first quarter's result, both in compliance with the new lease accounting standard, which became effective for Freightways from 1 July this year, and excluding the relevant leasing adjustments, so as to provide a comparison to Q1 last year on a like for like basis.

You will note that the impact on Q1 of the new lease accounting standard is a reduction to NPAT of $0.5m. While the new approach to accounting for leases affects the income statement presentation, as shown, the actual cash flows from operating lease payments continue as they always have. Next year the results will be on a consistent accounting basis, which will be helpful.

My presentation of results for Freightways and its divisions excludes the new lease accounting adjustments for ease of comparing the underlying trading results between years.

- Consolidated operating revenue of $156.7 million was 1% higher than Q1 last year.

- EBITDA of $26.3 million and EBITA of $22.1 million were 4.7% and 7.5% lower than Q1 last year, respectively.

- Consolidated NPATA of $14.5 million and NPAT of $13.9 million were 7.4% and 8.3% lower than Q1 last year, respectively.

There are a number of reasons why the earnings stepped-back in Q1 this year compared to last year and I will explain why, as I cover each of the 2 divisions' results next.

Slide 37. Q1 Express Package & Business Mail

- Consolidated operating revenue of $116 million was higher than the prior comparative period.

- EBITDA of $20 million was above the prior comparative period and EBITA of $18 million was on par with the prior comparative period

Slide 38. Q1 Express Package & Business Mail Commentary

- EP&BM incurred significant aircraft disruptions in Q1, with two 737's offline with maintenance requirements, resulting in an additional $0.75m in costs incurred. All three aircraft are back in service as of Q2.
- Previously disclosed discount to maintain a significant customer impacted Q1 by $0.35m
- Organic growth for Q1 was negative 1.5%.

Slide 39. Organic Growth Trend

This chart represents growth from our customers (excluding the impact of pricing). Organic growth has decreased steadily throughout the past 12 months as the NZ economy has slowed.

Slide 40. Q1 Information Management

- Consolidated operating revenue of $42 million was on par with the prior comparative period.

- EBITDA of $8 million and EBITA of $6 million were both below the prior comparative period, and this can be explained as follows.

Slide 41. Q1 Information Management Commentary

- Shred-X relocated its NSW facility in Q1, incurring $0.4m in relocation costs
- TIMG Australia incurred equipment and labour cost to scale-up for a digitisation project expected to commence in Q2
- Print and copy revenue in Australia was disappointing, down $1.2m on the prior comparative period. Management has a number of improvement initiatives underway
- Paper sales were adversely impacted by $0.25m, due to lower paper prices

Slide 42. Outlook Cover Page

Slide 43. Outlook

1. Incremental growth in Pricing For Effort returns through FY20, from $0.55c to $0.75c per residential item by year end
2. We expect to see improving organic trade from EP customers in the second half of the year
3. Expect utilisation to continually improve in our Australian facilities - targeting 75% by year end
4. Anticipate the commencement of a large digitisation project in Australia in Q2
5. Expect to work through OIO approval to complete Big Chill investment later in FY20

Thank-you.