



Freightways

FY21 RESULTS PRESENTATION

FOR THE YEAR ENDED 30 JUNE 2021

23 AUGUST 2021

Mark Troughear | Chief Executive Officer
Stephan Deschamps | Chief Financial Officer

AGENDA

Introduction & Highlights

Financial Results

Express Package

Big Chill

Information Management

Waste Renewal

The Startery & Outlook

PRESENTERS



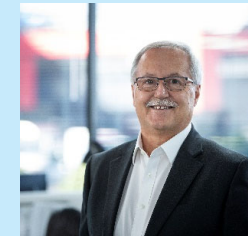
Mark Troughear
Chief Executive Officer



Stephan Deschamps
Chief Financial Officer



Neil Wilson
General Manager of
Freightways



Steve Wells
General Manager of
Express Package



Scott Hedgman
General Manager of Sales
Express Package



Mike Roberts
Chief Executive of
Big Chill Distribution

HIGHLIGHTS



OVERALL

- Revenue growth of 27%
- GAAP EBITA growth of 21.9% and NPAT growth of 4.6%
Adjusting for the accrual of the final Big Chill payment;
- EBITA growth before other expenses of 33% (i)
- NPAT growth before other expenses of 30% (i)



EXPRESS PACKAGE

- Growth in courier revenue of 16%
- PFE reached \$1.32 per item by June, which delivered improved B2C margin
- Contractor earnings up 8% for the year v the pcp
- Growth in Big Chill transport and 3PL revenue of 14% (over their pcp) with pleasing utilisation of facilities and network resources



BUSINESS MAIL

- Despite the overall market decline mail volumes within the DX network continue to grow with an 11% increase since 2019



INFORMATION MANAGEMENT

- Improved margins in AU after suffering a decline in activity levels due to Covid
- Print and copy margins have improved steadily over the year
- 20% growth in Business Process Outsourcing (BPO) v pcp



WASTE RENEWAL

- Secure Destruction has rebounded in NZ and is improving slowly in AU
- Medical Waste achieved \$16m in revenue in the year, up 57% on the pcp
- Growth in other product renewal represented \$7.5m over the year

NOTES

- i. Excluding \$23m accrued for the final payment related to the acquisition of Big Chill

FINANCIAL SUMMARY

FOR THE YEAR ENDED 30 JUNE 2021

	Note	FY21 \$m	FY20 \$m	Change %
Revenue		800.5	630.9	26.9
EBITA, before change in fair value of contingent consideration – Big Chill Distribution Limited (BCD) and other income & expenses (non-GAAP)	i.	130.5	97.8	33.4
Change in fair value of contingent consideration – BCD		(23.0)	-	
Other income & expenses		-	(9.6)	
EBITA	ii.	107.5	88.2	21.9
NPAT, before change in fair value of contingent consideration – BCD and other income & expenses (non-GAAP)	iii.	72.7	56.0	29.8
Change in fair value of contingent consideration – BCD		(23.0)	-	
Other income & expenses, net of tax		-	(8.6)	
NPAT - GAAP	iv.	49.6	47.4	4.6
Basic EPS (cents) (before change in fair value of contingent consideration – BCD and other income & expenses)		43.9	35.5	23.7

NOTES

- i. Operating profit before interest, tax and amortisation, before change in fair value of contingent consideration – BCD and other income & expenses.
- ii. Operating profit before interest, tax and amortisation.
- iii. Net profit after tax (NPAT), before change in fair value of contingent consideration – BCD and other income & expenses.
- iv. Profit for the half year attributable to shareholders.
- v. GAAP – Generally Accepted Accounting Principles (IFRS-compliant)

INCREASED ACCRUAL FOR THE FINAL PAYMENT FOR BIG CHILL

CHANGE IN FAIR VALUE OF CONTINGENT CONSIDERATION

2021

- The final payment for BCD, due in August 2022, will be based on a multiple of the BCD FY22 EBITA;
- A stronger than expected performance for the year ended 30 June 2021, combined with the expectation that this performance will be maintained, has substantially increased the estimated discounted future final payment from \$27.2 million to \$51.3 million;
- This led to the recognition of a one-off expense of \$23 million (no tax applicable) in respect of a change in fair value of contingent consideration;
- Generally Accepted Accounting Practice (GAAP) requires that this increase in final payment accrual be included in the income statement rather than adjusted against goodwill.

2020

Other (income) expenses:	\$000
Impairment of goodwill	5,194
Impairment of brand names	1,581
Impairment of intangible assets - software	608
Write-off of obsolete software	2,739
Acquisition advisory fee	981
Reversal of earn-out payables	(1,505)
Total net expense	9,598

REVENUE SEGMENTATION

FOR THE YEAR ENDED 30 JUNE 2021

	FY21 \$m	FY20 \$m	Change %
Express package & refrigerated transport	572.6	421.6	35.8
Postal	48.5	49.1	(1.3)
Storage & handling	60.7	60.3	0.7
Destruction activities	70.6	61.6	14.7
Other (i)	48.1	38.3	25.8
Total revenue	800.5	630.9	26.9

NOTES

i. Other includes Digital Services, Print & Copy and Cold Storage revenue

EXPRESS PACKAGE & BUSINESS MAIL

for the year ended 30 June 2021

	FY21 \$m	FY20 \$m	Change %
Operating Revenue	633.0	474.4	33.4
EBITDA	142.8	101.7*	40.4
EBITA	109.5	77.8*	40.8
EBITA Margin	17.3%	16.4%*	

INFORMATION MANAGEMENT

for the year ended 30 June 2021

	FY21 \$m	FY20 \$m	Change %
Operating Revenue	170.7	158.7	7.5
EBITDA	50.8	47.1	8.1
EBITA	29.0	25.8	12.1
EBITA Margin	17.0%	16.3%	

NOTES

* EP&BM FY20 EBITDA, EBITA and EBITA margin represent the operating results of the division, exclusive of other income and expense that are one-off in nature. Refer to the appendix for reconciliation to results that are in accordance with Generally Accepted Accounting Practice.

BALANCE SHEET

KEY POINTS

- Total assets has remained at similar levels to FY20.
 - Total liabilities decreased from FY20 by \$31m, including:
 - \$58m decrease in borrowing as a result of repayments from positive cash flows from operations
 - \$23m increase in payables in respect of change in fair value of contingent consideration (increasing accrual for estimated future Big Chill (BCD) final settlement payment)
 - Gearing as at 30 June 2021 is 30% (excluding lease liabilities related to NZ IFRS16) and 57% (including lease liabilities related to NZ IFRS16).
-

CASHFLOW

KEY POINTS

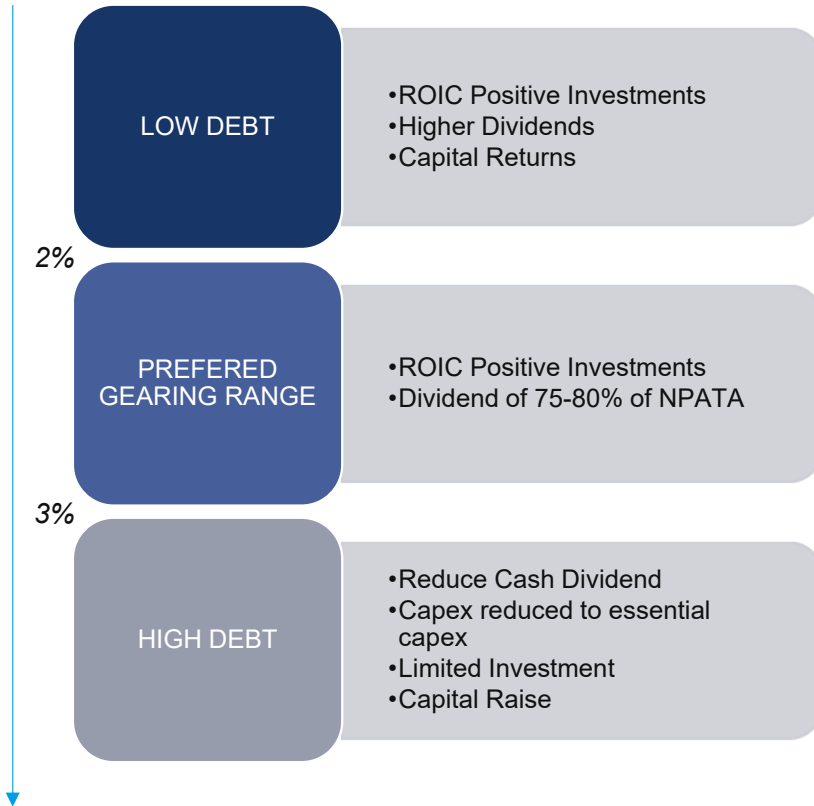
- Cash generated from operations of \$198m was \$37m above the PCP due to strong results compared to PCP and the inclusion of Big Chill (acquired on 1 April 2020).
 - Net cash inflows from operating activities (i.e. after deducting interest and tax payments) were \$8m above the PCP. Income tax paid in FY21 is \$26m higher than FY20 due to provisional tax funded through tax financing in FY20 being paid in FY21.
 - Interest paid increased reflecting higher average debt level during this year, following the BCD acquisition, compared to the PCP.
 - Cashflows from investing activities were down \$110m on the PCP with no acquisitions made during the period.
 - The \$115m increase in cash outflows from financing activities compared to the PCP reflects:
 - repayment of \$59m of debt compared to drawdown of \$46m in the PCP
 - \$8m increase in lease payments, partly due to inclusion of Big Chill
 - \$23m decrease in proceeds from shares issued. Shares were issued to partly fund the BCD acquisition in FY20 with no corresponding share issue this year
 - Partially offset by:*
 - \$22m decrease in dividend paid this year as no dividend was paid in October 2020
-

CAPITAL MANAGEMENT POLICY

CAPITAL MANAGEMENT PRINCIPLES

Targeting solid Investment Grade credit profile, at a level that minimises the cost of capital. Range of Net Debt / EBITDA between 2x and 3x.

Debt/EBITDA



DIVIDEND POLICY

Dividend Policy aligned with Capital Management Policy, balancing a number of objectives:

- 1 The setting of the dividend is subordinated to the overall capital structure of FRE. When debt is considered high, the cash dividend will be reduced to allow for fast debt reduction;
- 2 The dividend is set at a level that the Board expects to be sustainable in the medium term
- 3 Subject to the first two principles, the Board will aim to pay 75% to 80% of the NPATA adjusted for significant one-offs

CAPITAL EXPENDITURE

FOR THE YEAR ENDED 30 JUNE 2021

	2021 Full Year Actual \$M	2022 Full Year Forecast \$M
Capital Expenditure	18	24 - 26
Depreciation and software amortisation (including impact of NZ IFRS 16)	57	60
Depreciation and software amortisation (excluding impact of NZ IFRS 16)	22	23

DIVIDEND

FINAL DIVIDEND	18 CPS
IMPUTATION CREDITS	7.00 CPS (FULLY IMPUTED AT 28% TAX RATE)
SUPPLEMENTARY DIVIDEND	3.1765 CPS
RECORD DATE	17 SEPTEMBER 2021
PAYMENT DATE	1 OCTOBER 2021

NOTES

- I. The DRP will not be offered for this dividend.

A FAMILY OF BRANDS

Our market leading brands combine density & shared infrastructure with specialist knowledge in each niche.

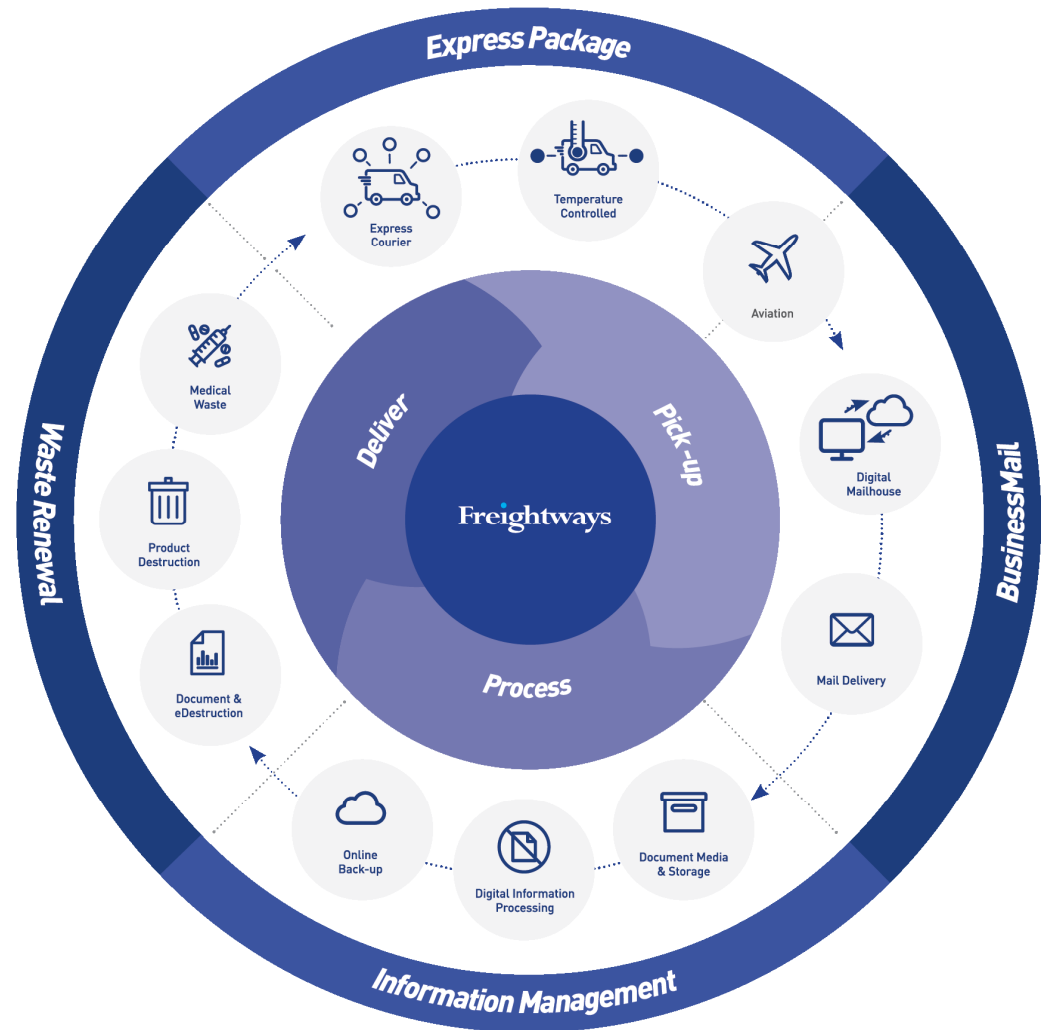
We work across a range of activities, achieving high levels of quality and efficiency,

We focus on adding value to how we pick-up, process and deliver.

Our culture and commitment unifies our people.

We draw on all of that to continue to evolve our businesses to meet the changing needs of our customers.

STRATEGY



STRATEGY

WHY WE DO THIS

Better outcomes don't just happen. It takes a conscious effort from our team to move things forward for our customers, our team, our shareholders and our communities. Our "why" is *we move you to a better place*.

HOW WE WORK

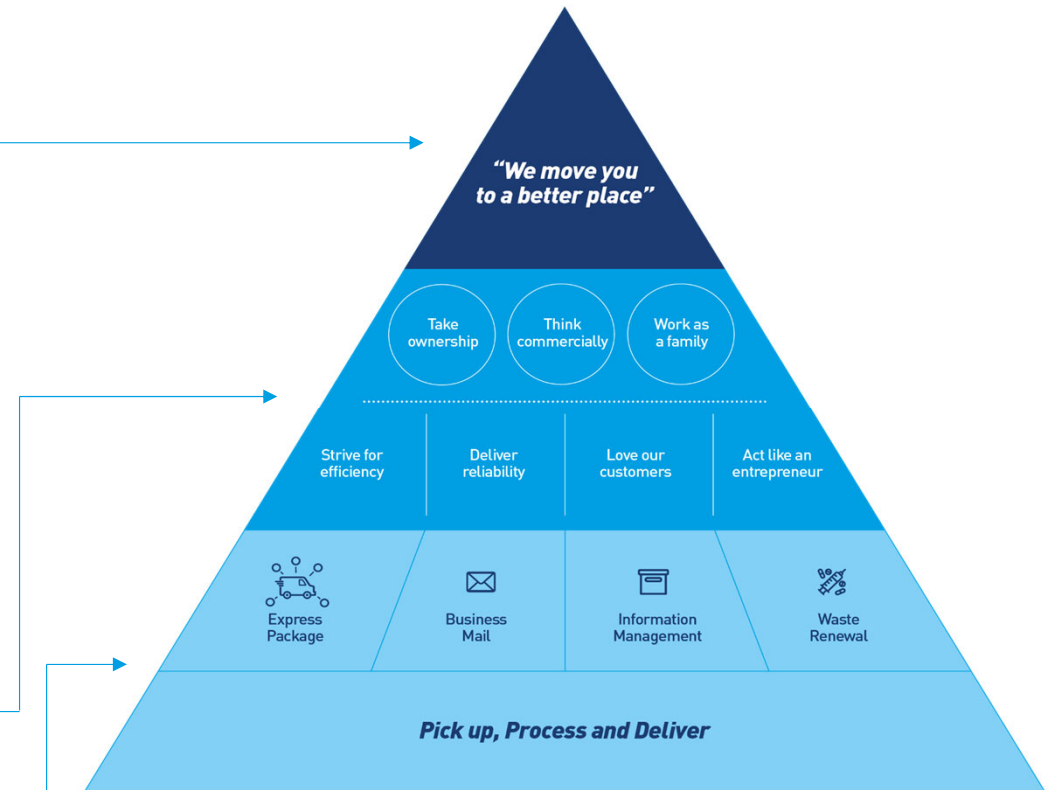
Three principles guide how our teams and our partners deliver;

- We take ownership and responsibility at every level for what we do and what we can improve.
- We think commercially about the deals we make so that they make sense for our customers, our contractors, our business and our shareholders.
- We work as a family by supporting people, by prioritising their security safety and wellbeing and by doing everything we can to ensure they get home safe each day.

We depend on our capabilities to deliver what our customers, investors and communities expect. We're efficient. This critical capability enables us to move around 100,000,000 items through our various networks every year. We are reliable - targeting flawless execution to shift items through multiple touchpoints in our networks every day. We act like an entrepreneur - we recognise and execute on high-value opportunities.

WHAT WE DO

Freightways is a business that is always on the move. We pick up and process physical and digital items reliability and efficiently for our customers. We look to progress develop our people through career opportunities. We increase returns for our investors. And we look to move the dial for communities through the causes we support; and by reducing our emissions and employing or contracting local people.





Freightways

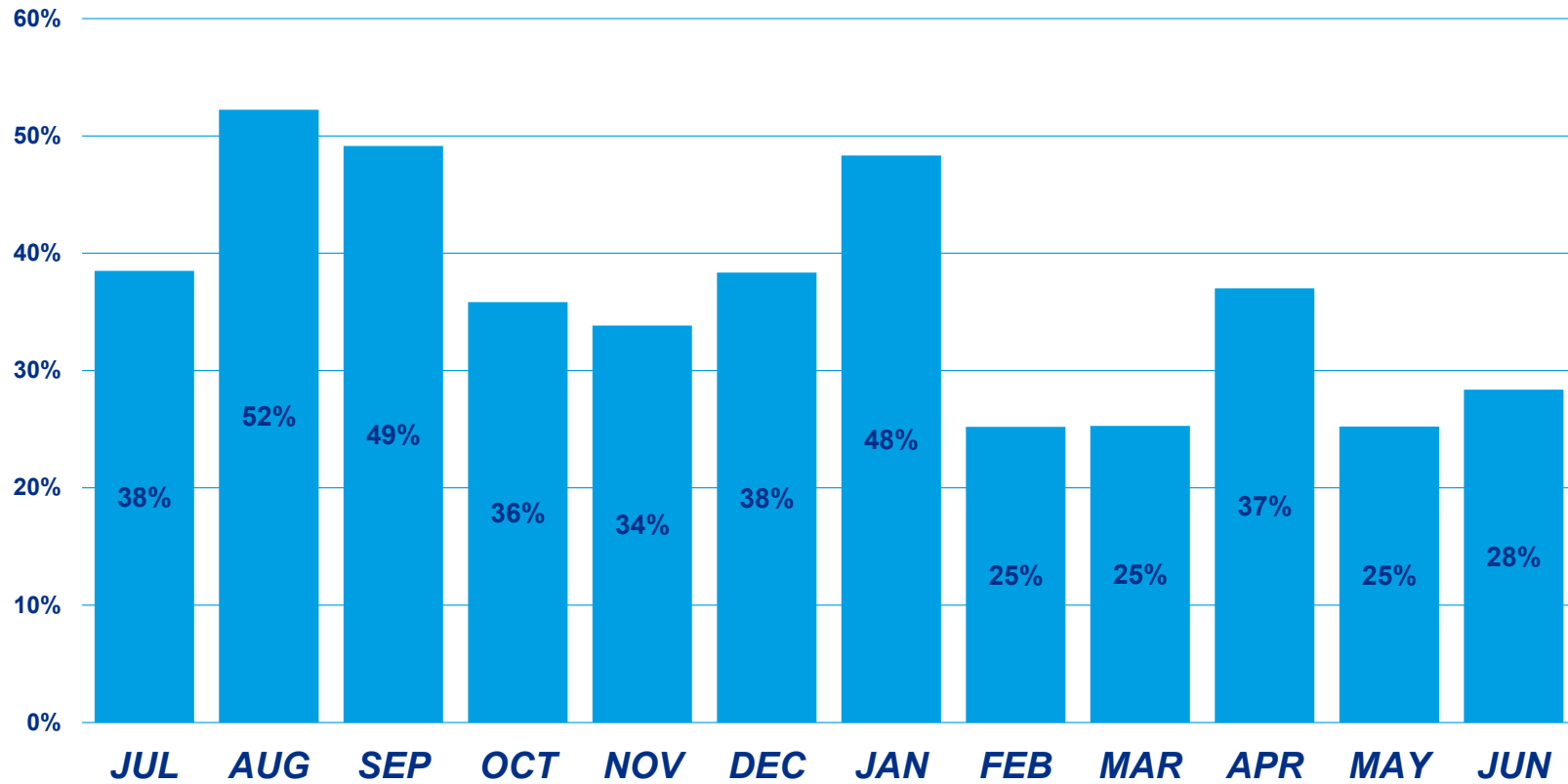
EXPRESS PACKAGE

23 AUGUST 2021

Scott Hedgman | Steve Wells
Express Package

EXPRESS PACKAGE

B2C NETWORK ITEM GROWTH: FY21 V FY19



EXPRESS PACKAGE

B2C PROPORTION OF TOTAL ITEMS – NETWORK COURIERS

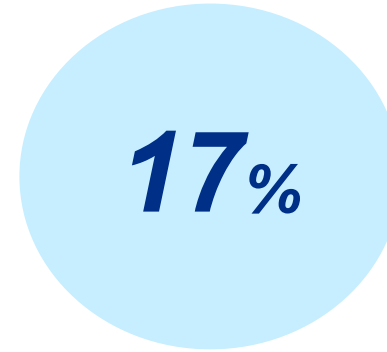
PRE-LOCKDOWN



DURING LOCKDOWNS



NEW "NORMAL"



EXPRESS PACKAGE

PRICING FOR EFFORT – B2C PRICING PER ITEM



EXPRESS PACKAGE STRATEGY

PRICING FOR EFFORT – B2C

- Pricing For Effort will be used to target those areas of our business where the price does not yet fully reflect the true cost of performing the service.
- Stage III of PFE for residential deliveries was launched effective February 2021 at an additional 50c per delivery to take us to \$1.32 by June.
- We expect incremental improvement as we work through individual exceptions.

PRICING FOR EFFORT - LOCAL

- Stage I of PFE for local deliveries was launched effective July 2021 at an additional 25c per delivery.
- Stage II of PFE for local deliveries is ongoing throughout FY22 with a focus on lifting local rates further for those customers with higher discounts.

PRICING FOR EFFORT – LARGER FREIGHT

- PFE for larger courier items is in discovery phase and due for implementation in July 2022.



EXPRESS PACKAGE STRATEGY

ECOMMERCE

- Our eCommerce proposition is founded on delivery performance, delivery choice and visibility for our clients and their customers
- The key market focus for FY22 is SME eCommerce businesses. These customers are less price sensitive, deliver a higher yield, are loyal, have a good regional spread and have potential to grow with us
- Plug in integrations for popular eCommerce platforms are being developed that will enable our SME customers to offer a streamlined checkout experience, delivery choices and visibility of items shipped from their web store
- New customer facing systems are being launched to EP customers to improve customer experience by providing better visibility and improved freight management tools

The most important aspects of parcel delivery are: delivering as expected, on time and undamaged. Cost and tracking are also of high importance.

- 1 Delivers your parcels when and how they say they will
- 2 Doesn't damage the parcels in transit
- 3 Parcels are not lost or misdirected
- 4 Free shipping
- 5 Leaves the parcel where you request it be left
- 6 Offers accurate, up-to-date parcel status and tracking
- 7 Live tracking of your delivery

2/3 *Of consumers say they know which company delivered their last item*

44% *Of consumers believe parcel delivery companies in New Zealand are different*

35% *Of consumers say that having the choice of delivery company is important to them*

NOTES

* Freightways commissioned research – Kantar March 2021

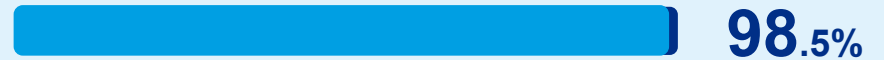
EXPRESS PACKAGE STRATEGY

SERVICE

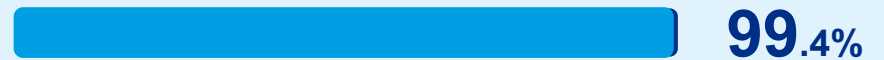
- Independent transit testing will be conducted over the next 6 months to benchmark our service v our key competitors. Our latest transit testing and internal measurement have set positive benchmarks for FY22
- New BI tools have been launched that allow us to measure performance at a micro and macro level. This information is provided in real time and allows us to shift focus quickly to areas where more support or resource is required to mitigate possible service degradation
- Increasing courier contractor remuneration has materially improved courier retention - which has fed into service quality

NEW ZEALAND COURIERS DELIVERED UNDER PRESSURE AT THE BUSIEST TIME OF THE YEAR;

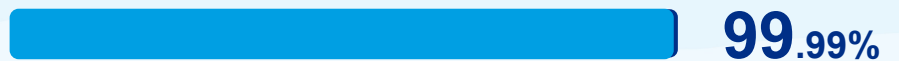
On time delivery



Query-free deliveries



Claim-free deliveries



EXPRESS PACKAGE STRATEGY

CONTRACTOR STATUS

- A Tripartite Working Group is considering options to better protect contractors. The group is due to report to the Minister at the end of 2021.
- FRE have submitted the following recommendations;
 - Clear and transparent contracts,
 - Access to legal / accounting advice prior to signing,
 - Access to affordable mediation in the event of a dispute.
- FRE courier incomes grew on average by 8% this year.
- Increasing courier contractor remuneration continues to be a key focus for our business in FY22. Our Pricing For Effort strategy will underpin our ability to raise our courier earnings which in turn has a positive impact on the service we provide to our customers. We aim to increase courier earnings by 5-10% across the various brands this coming year.
- The other benefits of being a contractor with FRE are;
 - The flexibility to take time off as they wish
 - The opportunity to use their asset to earn income
 - Tax deductibility of running your own business
 - A higher level of autonomy than being an employee

EXAMPLE	AVERAGE NZC DRIVER
Average Gross Earnings	\$120,000.00
Average Costs*	-\$28,800.00
Average Net Pre Tax Earnings	\$91,200.00
Weeks Per Year	52
Days Per Week	5.2
Hours Per Day	11
Hours Per Year	2974.4
Average Net Pay Per Hour	\$30.66
Living Wage (/Hr)	\$22.75 (1/9/2021 effective date)
Premium To NZ Living Wage	34.8%
Minimum Wage	\$20.00 (1/4/2021 effective date)
Premium To Minimum Wage	53.3%

* includes 6 weeks relief driver @ \$23/hr and all costs of operating an average NZC run

EXPRESS PACKAGE

NETWORK COURIER REVENUE – 6 WEEKS TRADING

**PRE-COVID19 LEVEL 4 LOCKDOWN
18 AUGUST 2021**

**TRADING
REVENUE**

4.2%

+

**FY22 PRICE
INCREASES**

3.0%

+

**PFE B2C
INCREASES**

1.1%

+

SURCHARGES

1.5%

=

9.8%

BIG CHILL DISTRIBUTION

23 AUGUST 2021

Mike Roberts | Big Chill



BACKGROUND

CURRENT STATE

- BCD operate in the NZ temperature-controlled transport and storage market providing;
 - Express Parcel delivery to: Foodservice providers, Supermarkets, Hospitality and Quick Service Restaurants
 - 3PL services for a range of clients in Auckland
 - Full Truck Load services for a number of larger customers
- We estimate the market for temperature-controlled delivery and storage is worth over \$1billion;
 - BCD has around 11% of this market (across the 3 niches)
 - Market has a high level of fragmentation
 - Some customers (e.g. Foodstuffs) run their own network
- BCD has achieved averaged growth of 10% per annum over the last 6 years. In FY21;
 - A new 3PL site provided 100+% growth
 - Transport revenue grew by 11%
- BCD made additional investments in the network in FY21 by;
 - Expanding the Wellington facility by 100%
 - Expanding the Hastings depot by 25%



BCD STRATEGY

GOAL

To maintain and grow our position as the supplier of choice for fresh and frozen food distribution across NZ.

NETWORK

- We will expand our facilities in Christchurch and Waikato/BOP region to be able to cope with expected demand.
- Assess bolt-on acquisitions at the right time and the right price.

3PL (2nd Horizon of Growth)

- With the existing Auckland 3PL facility at 87% utilisation we will assess the options for another purpose built facility to cater to express parcel distribution which can feed the BCD transport network.
- Such a facility would not come online until mid-2023.

INTEGRATED EXPRESS PACKAGE DELIVERY (3RD Horizon of Growth)

- We will continue to explore the opportunities for delivery in T/C vans through the Express Package network for last mile and SME delivery points as a way of providing quicker and more cost efficient fulfilment.





Freightways

INFORMATION MANAGEMENT

23 AUGUST 2021

Neil Wilson | General Manager

INFORMATION MANAGEMENT STRATEGY

POSITIONING FOR DIGITAL GROWTH

- A new 3PL service offering being trialled in NZ. A number of cornerstone customers already secured to assist scaling the new business model.
- The Startery has assisted by focussing on customers with high unmet needs targeting the growth E Commerce sector.
- Over \$15 million of BPO contracts already signed for roll out in FY22 and FY23. Full pipeline of BPO opportunities :
 - Demand accelerated by Covid in some instances e.g. work from home solutions, NZ vaccination processing
 - Freightways IT infrastructure is a competitive advantage with meeting Cyber security requirements

DIGITAL REVENUE



of Total TIMG Revenue

GROWTH ON PRIOR YEAR

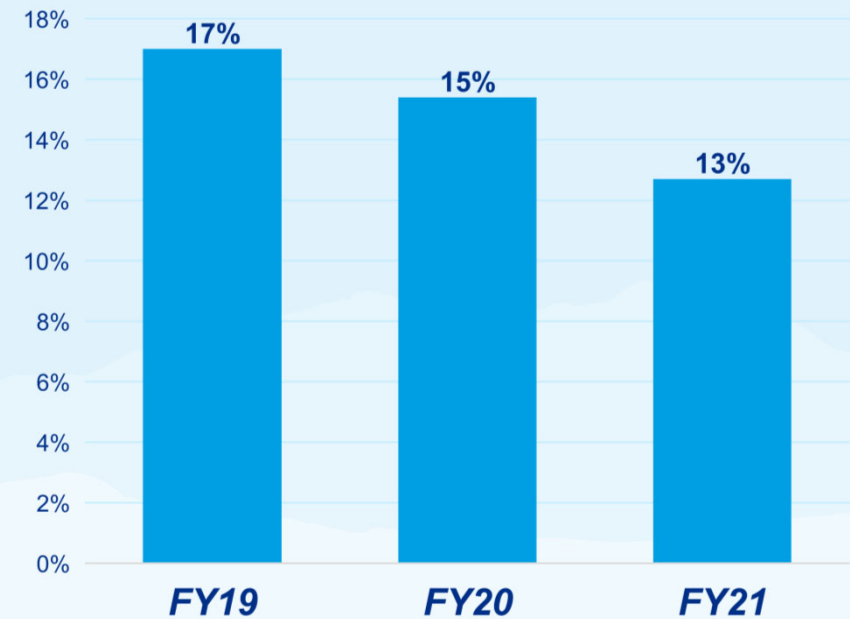


INFORMATION MANAGEMENT STRATEGY

KEY STRATEGIES

- Media and archive activity levels have been impacted by Covid, particularly in Australia. Pricing improvement has been implemented to protect margins.
- Sales resources focused on new business in areas with warehouse capacity e.g. Auckland, Sydney and Perth.
- Aiming to grow TIMG NZ revenues by introducing new recycling services to complement existing paper collections.
- Continuing to focus on streamlining costs through efficiency and productivity gains in Australia.

TIMG AU Overhead Labour As a % of revenue:



WASTE RENEWAL

23 AUGUST 2021

Neil Wilson | Freightways



WASTE SECTOR GROWTH

POSITIONING FOR A SUSTAINABLE FUTURE



INTEGRATED LOGISTICS COLLECTION SERVICE



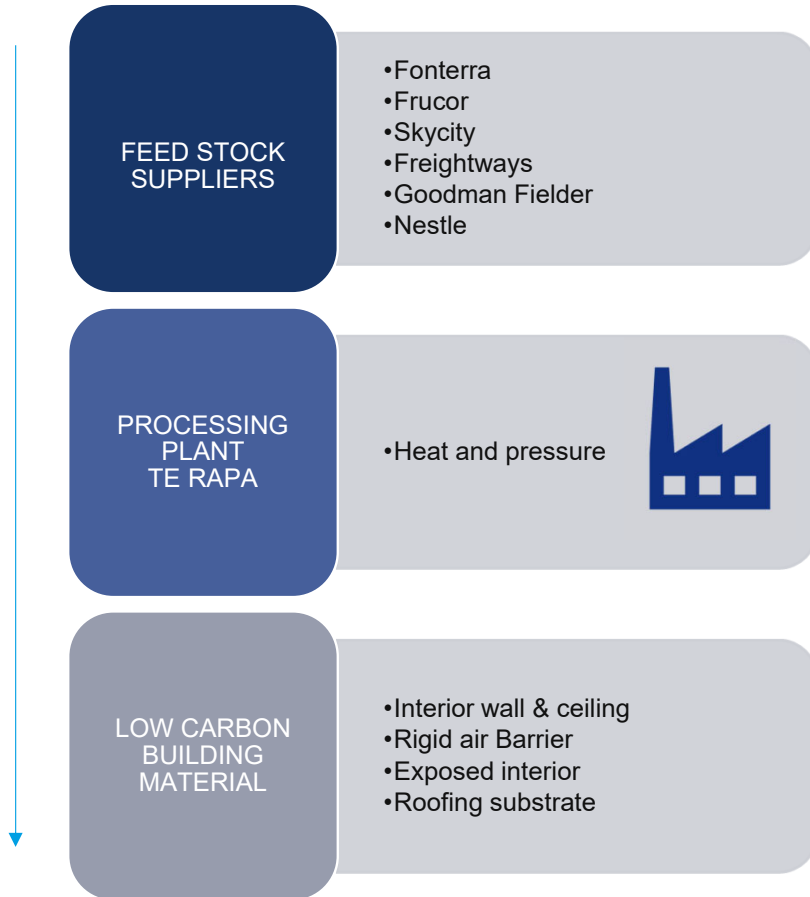
AUTOMATED CUSTOMER REPORTING – TONNES DIVERTED, CO2, RENEWAL, PRODUCTS PROCESSED



RECYCLING/ PRODUCT RENEWAL



SAVEBOARD BUSINESS MODEL



SAVEBOARD PROGRESS TO DATE

- Expected to be operational late 2021, first production line will divert 4,000 tonnes of waste from landfill.
- New Zealand building code compliance achieved
- Customer demand is high and is supported by supply issues in building sector (over 50 pre-registered customers who will use).
- Business model delivers strong commercial returns based on dual charging model.
- Awarded a A\$1.8m NSW Government grant and \$1m set up funding from packaging suppliers



PURPOSE

- To build meaningful new lines of business for FRE over a 5-year timeline.
- Provides FRE businesses a structured process to test and incubate new ideas
- Focus on Horizon 2 and 3 growth leveraging existing business capability
- Incremental lean funding to manage risk and start-up complexity
- Team of 8 covering Product Management, UX, Development, and Marketing

PIPELINE

- 32 ideas have been submitted to The Startery to date
- 18 have pitched for resource and funding
- 9 were accepted for investment
- 7 are currently being worked on
- 2 have progressed to revenue generating lines of business

MYCHECKS

- Suite of privacy compliant background checks for employers and individuals
- Leverages TIMG expertise delivering digital solutions to MoJ and NZ Govt
- Launched Oct '20, currently generating \$16k/month in revenue
- The product has a number of adjacent revenue opportunities across ANZ



Freightways

OUTLOOK

23 AUGUST 2021

Mark Troughear | Chief Executive Officer
Stephan Deschamps | Chief Financial Officer

OUTLOOK (1/2)

- We were encouraged by revenue growth in Express Package in the first 6 weeks of FY22.
- Last week, New Zealand entered an alert level 4 lockdown, after similar decision in a number of Australian states. As a result, we have immediately implemented our well-established processes to ensure that all staff and contractors can operate safely.
- Under alert level 4, activity levels are significantly impacted across all the New Zealand businesses. However, experience from the lockdowns of last year suggests that:
 - As alert levels are lowered from 4 to 3 or below, the express package businesses should recover quickly and tend to experience higher volumes than previously expected,
 - IM will experience lower levels of activity until we return to level 2.
- Should the level 4 lockdown continue for an extended period we will continue to evaluate our cost base and other options available to us.



OUTLOOK (2/2)

- Whilst we are targeting revenue and earnings growth in FY22 from all of our business units we remain conscious that even the best laid plans can be influenced by macro factors that we are less able to control:
 - A tight labour market putting upward pressure on labour costs,
 - Current and potential lockdowns in AU & NZ,
 - A constrained supply chain which could continue to disrupt the flow of goods coming in NZ and ultimately impact the volumes we receive from our customers.
- We will continue to review the portfolio of services we provide with a view to delivering superior long-term value to shareholders through short, medium and long-term initiatives.
- The company will continue to consider acquisition opportunities that are complementary to our existing operations and capabilities.



CONCLUSION

- FY21 was a record year for Freightways in terms of earnings, the contribution of acquisitions, the exploration of new services and growth of contractor incomes.
- We are excited by the opportunities in front of all of our businesses in FY22 to continue to develop and where appropriate build a 2nd or 3rd horizon of growth over our core capabilities.

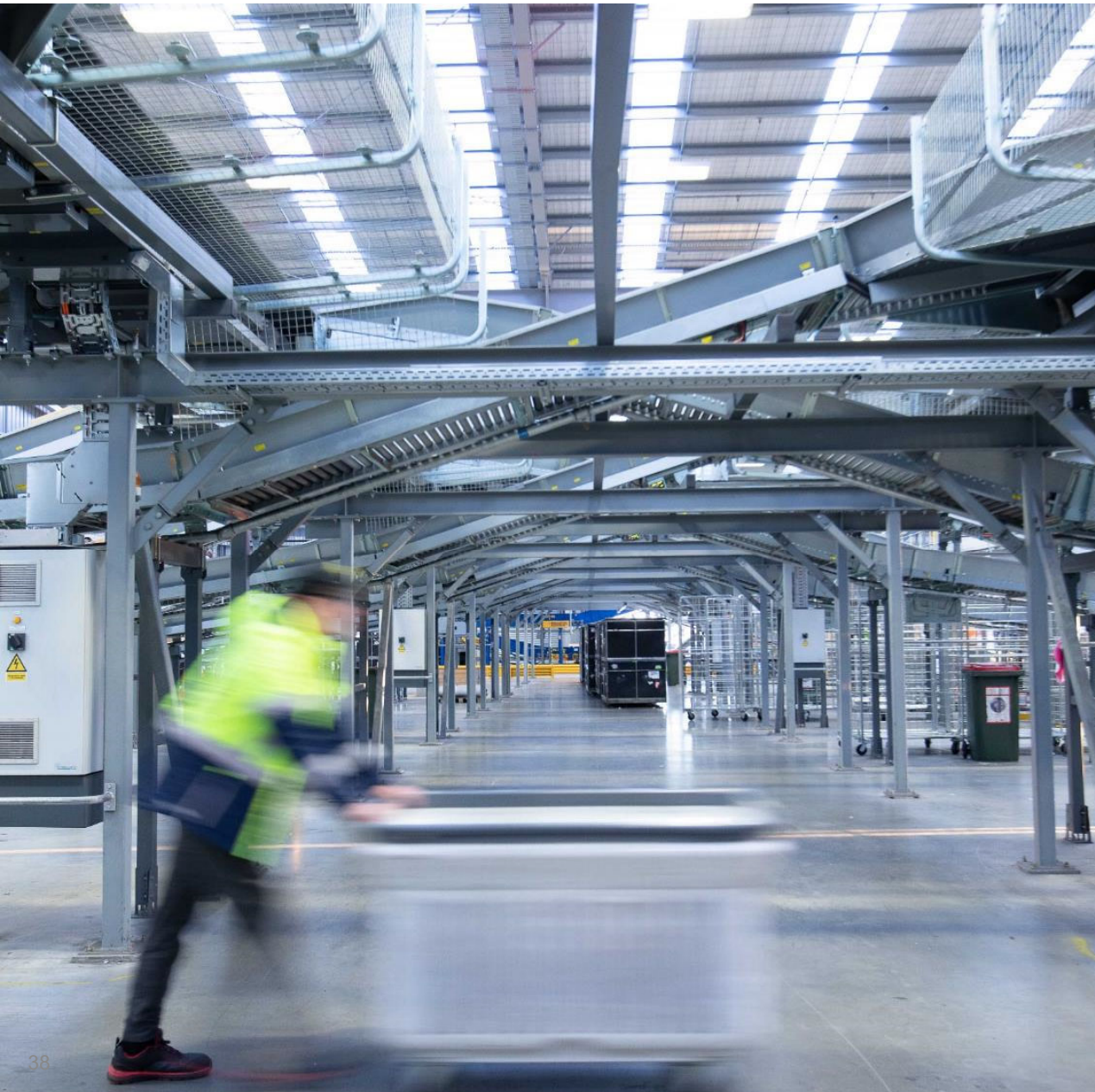
The Freightways Directors and Management team would like to thank all of our people across New Zealand and Australia for their contribution over the past year.



APPENDICES

23 AUGUST 2021

Mark Troughear | Chief Executive Officer
Stephan Deschamps | Chief Financial Officer



APPENDIX: RECONCILIATION OF GAAP TO PRE-NZ IFRS16 AND OTHER EXPENSES

for the year ended 30 June 2021

FREIGHTWAYS GROUP	FY21 \$m	FY20 \$m	Change %
Operating Revenue	800.5	630.9	26.9
EBITDA (GAAP)	164.6	135.1	21.8
Add: Change in fair value of contingent consideration – Big Chill Distribution Limited (BCD)	23.0	-	
Add: Other expenses	-	9.6	
EBITDA (before change in fair value of contingent consideration and other expenses)	187.6	144.7	29.6
Less: NZ IFRS16 adjustment	(42.2)	(33.7)	25.2
EBITDA (before NZ IFRS16, change in fair value of contingent consideration and other expenses) – non-GAAP	145.4	111.0	31.0
EBITA (GAAP)	107.5	88.2	21.9
Add: change in fair value of contingent consideration – BCD	23.0	-	
Add: Other expenses	-	9.6	
EBITA (before change in fair value of contingent consideration and other expenses)	130.6	97.8	33.5
Less: NZ IFRS16 adjustment	(7.0)	(5.3)	32.1
EBITA (before NZ IFRS16, change in fair value of contingent consideration and other expenses) – non-GAAP	123.6	92.5	33.6

NOTES

GAAP – Generally Accepted Accounting Principles (IFRS-compliant)

APPENDIX: RECONCILIATION OF GAAP TO PRE-NZ IFRS16 AND OTHER EXPENSES

for the year ended 30 June 2021

EXPRESS PACKAGE & BUSINESS MAIL	FY21 \$m	FY20 \$m	Change %
Operating Revenue	633.0	474.4	33.4
EBITDA (GAAP)	142.8	98.3	45.3
Add: Other expenses	-	3.3	100
EBITDA (before other expenses)	142.8	101.6	40.6
Less: NZ IFRS16 adjustment	(24.6)	(16.1)	52.8
EBITDA (before NZ IFRS16 and other expenses) – non-GAAP	118.2	85.5	38.2
EBITA (GAAP)	109.5	74.4	47.2
Add: Other expenses	-	3.3	100
EBITA (before other expenses)	109.5	77.7	40.9
Less: NZ IFRS16 adjustment	(3.4)	(1.8)	88.9
EBITA (before NZ IFRS16 and other expenses) – non-GAAP	106.1	75.9	39.8

NOTES

GAAP – Generally Accepted Accounting Principles (IFRS-compliant)

APPENDIX: RECONCILIATION OF GAAP TO PRE-NZ IFRS16 AND OTHER EXPENSES

for the year ended 30 June 2021

INFORMATION MANAGEMENT	FY21 \$m	FY20 \$m	Change %
Operating Revenue	170.7	158.7	7.6
EBITDA (GAAP)	50.8	41.8	21.5
Add: Other expenses	-	5.3	100
EBITDA (before other expenses)	50.8	47.1	7.9
Less: NZ IFRS16 adjustment	(17.4)	(17.5)	(0.6)
EBITDA (before NZ IFRS16 and other expenses) – non-GAAP	33.4	29.6	12.8
EBITA (GAAP)	29.0	20.6	40.8
Add: Other expenses	-	5.3	100
EBITA (before other expenses)	29.0	25.9	12.0
Less: NZ IFRS16 adjustment	(3.6)	(3.4)	5.9
EBITA (before NZ IFRS16 and other expenses) – non-GAAP	25.4	22.5	12.9

NOTES

GAAP – Generally Accepted Accounting Principles (IFRS-compliant)

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