

Wiseway Group (ASX: WWG) FY2024 Presentation

30 August 2024



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FY24 results overview



Wiseway has delivered top-line growth and margin expansion in FY24

Key financial metrics

\$112.3 million (+5.4%) ↑

Group Revenue

\$8.2 million (+121%) ↑

EBITDA

7.3% (+380 bps) ↑

EBITDA Margin

\$0.6M (+\$3.8 million) ↑

Net Profit Before Tax

12 cents

Net Tangible Assets per Security

\$8.3 million

Cash and Cash Equivalents

Operational highlights



Australia and New Zealand (ANZ) streamlined into a single management structure; expected to yield both revenue and operational synergies



Continued to manage operating costs through right sizing non-core support office functions, outsourcing in selected areas, and furthering process efficiencies



Import eCommerce investments are yielding results, with improvements to customer service, processing times and compliance



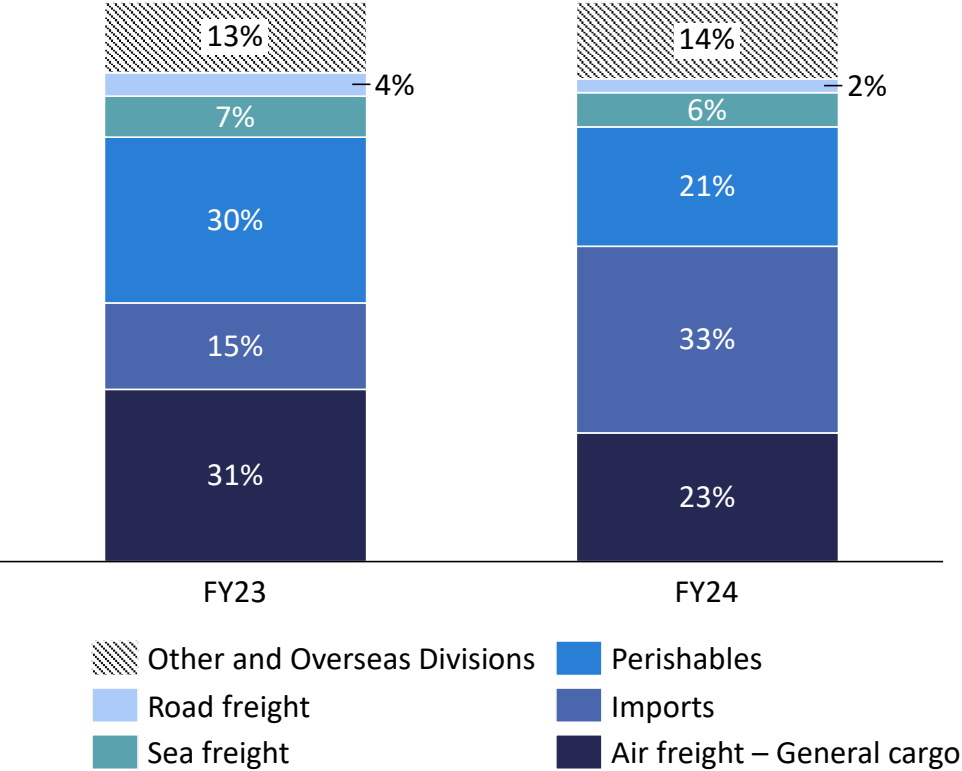
Wiseway's Perishables proposition is continuing to win in the market, with new clients onboarded in softer market conditions



KWT International has been successfully integrated into Wiseway Group; combined US entity appears on track to win additional contracts and clients

Imports division has been driving overall growth for Wiseway

% Revenue split by division



\$ Revenue split by division

\$'000	FY2023	FY2024
Air freight – General cargo	32,801	25,867
Perishables	31,569	23,957
Sea freight	7,810	6,898
Road freight	4,432	2,739
Imports	16,493	37,442
Overseas divisions	12,342	14,188
Others	1,105	1,171
Total	106,552	112,262

Australia and New Zealand continue to perform, and overseas locations have a clear pathway to delivering financial results

Revenue by location

\$'000	FY2023	FY2024
Australia and New Zealand	99,161	106,614
China	3,617	1,691
Singapore	2,085	1,778
USA	1,689	2,179
Total	106,552	112,262

EBITDA by location

\$'000	FY2023	FY2024
Australia and New Zealand	5,466	8,637
China	(1,506)	(124)
Singapore	201	87
USA	(470)	(433)
Total	3,691	8,167

Commentary:

Australia and New Zealand

- Australia and New Zealand has been combined into a single region which is expected to deliver both cost and revenue synergies

China.

- China restructured into primarily an operations and support office
- China based sales are driven through international divisions
- China supports operations of other regions

USA

- USA transformed through acquisition of KWT International
- Focus will be on inbound freight from Australia and China

Singapore

- Singapore continues to be stable and profitable

Balance sheet | Financially stable with a healthy balance sheet

Balance sheet	FY2024 \$m	FY2023 \$m	Change %
Cash and cash equivalents	8.3	9.1	-9%
Trade and other receivables	14.5	9.1	59%
Other current assets	2.6	2.2	18%
Total current assets	25.4	20.4	25%
Right of Use Asset	14.4	18.9	-24%
Fixed & non-current assets	24.1	23.0	5%
Total assets	63.9	62.3	3%
Trade and other liabilities	13.1	6.8	93%
Loans and debt financing	10.2	3.2	219%
Lease and others	4.3	3.8	13%
Total current liabilities	27.6	13.8	100%
Loans and borrowings	4.0	12.1	-67%
Lease and other non current liabilities	13.3	17.8	-25%
Total Liabilities	44.9	43.7	3%
Net assets	19.0	18.6	2%

Commentary:

- Healthy balance sheet, with **\$8.3 million** Cash and Cash Equivalents to support strategic opportunities
- Increase in trade receivables and payables reflective of **increased business activity**
- Focus on **improving long term capital structure** of Group through better asset utilization as well as debt reduction.
- **Continuous resource planning**, ensuring ability to meet future obligations
- Subsequent to FY2024 year end, successfully extended commercial loan facility of \$8.3m (classified as current) to now mature end of June 2026 ensuring longer term stability and position for future interest rate reductions

Note: Numbers have been rounded.

An aerial photograph of a busy port. In the foreground, a large cargo ship is docked at a pier, with its deck filled with various colored shipping containers. To the left, a smaller cargo ship is also docked. In the background, a large commercial airplane is flying over the water. On the left side of the image, there is a large warehouse with a blue roof and several smaller buildings. The water is a deep green color, and the sky is clear.

Business overview

Overview of Wiseway

5
Countries

200+
employees

100+
trucks and trailers

11
cities







13
warehouses

4
depots with cool room
capabilities

Shipping to
100+
destinations



Our core business segments

1	2	3	4	5	6
Air Freight Exports	Sea Freight Exports	Perishables	Imports	Road & Warehousing	Overseas
 <ul style="list-style-type: none"> • Serving e-commerce platforms, suppliers, and parcel consolidators. • Shipping infant milk formula, honey, wine, vitamins, and health and skin-care products. 	 <ul style="list-style-type: none"> • General food commodities. • Australian produce. • Food stuffs. • Wine. 	 <ul style="list-style-type: none"> • Fresh produce. • Seasonal fruit. • Seafood. • Meat. • Fresh milk and dairy. 	 <ul style="list-style-type: none"> • General cargo imports clearance and delivery. • E-commerce parcel imports and distribution. 	 <ul style="list-style-type: none"> • Interstate and road transport business. • Servicing wholesalers, manufacturers and airlines. • 3PL warehousing (>50,000 SQM). 	 <ul style="list-style-type: none"> • China (Guangzhou and Shanghai) • United States (Los Angeles and New York) • New Zealand (Auckland) • Singapore



Strategic partnerships in industry built on relationships

Long-standing customer relationships



- A diverse portfolio of customers supported by Wiseway from start-up stage to business maturity, including distributors and parcel express companies.
- Deep customer loyalty with high client retention rate.

Global team capabilities



- Experienced leadership team, with continued involvement from the Company's founders and commitment to original vision of global growth.
- A unique understanding of the cross-border e-commerce market and import/export regulation.

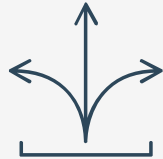
Strategic industry partnerships



- Long-standing GSA and CSA relationships with major international airlines across the Asia Pacific region and globally.
- Well-established business relationships with local road transportation partners across Wiseway's global locations.



Wiseway Group acquires KWT International Inc.



Overview of KWT

- KWT is based in Los Angeles and has exports / imports freight forwarding, 3PL warehouse, inbound customs clearance, and last mile delivery service
- The KWT team has 10 staff, operating 2 warehouses located in Los Angeles and New York



Rationale

- Established bases in two of the largest hubs in the United States
- Increase Wiseway's network and ability to serve in a new region
- Talent expansion with experienced management team of KWT



Progress to date

- Successful integration into Wiseway Group
- On-track to win additional contracts and clients
- Leveraging synergies to enhance operational capabilities, such as in Imports eCommerce

Outlook and priorities

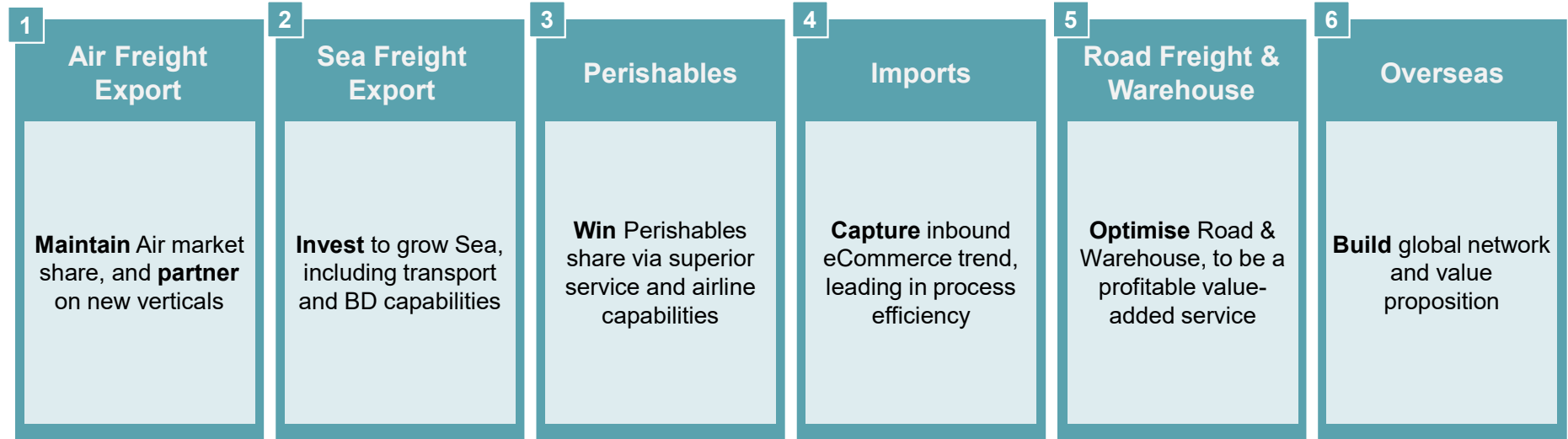


Wiseway will continue to execute against strategic priorities announced last year

Ambition

A leading **logistics partner** in the **Asia Pacific** region, providing **excellent services** and **superior customer value** to our partners

Division priorities



Enablers





Outlook

- ▶ Overall, Wiseway expects **continued growth** as it expands further into eCommerce in Australia, New Zealand and United States
- ▶ In Australia and New Zealand, **Imports will continue to lead growth**; Wiseway will further invest in compliance, processes, technology and people in these areas
- ▶ Air Freight, Perishables and Sea Freight divisions to experience **moderated growth** due to subdued growth in the Australia to China export market
- ▶ In the United States, **Wiseway will be looking towards** converting its China and Australia based clients to its USA services, focusing on capturing China based eCommerce clients

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