

28 October 2020

## ASX Announcement

Wiseway Group Limited (ASX: WWG)

**Registered office:**

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## Q1 FY21 Trading Update

Wiseway Group Limited (**Wiseway**), the leading Australia-Asia freight logistics operator, provided a trading update for the three months ended 30 September 2020 (**Q1 FY21**), reporting unaudited revenue of \$31.0 million, up 53% or \$10.7 million on the previous corresponding period (**Q1 FY20**).

Revenue (\$ million)	Q1 FY21	Q1 FY20	Change	Change %	FY21 YTD	FY20
Air freight	22.2	17.8	4.3	+24%	22.2	79.8
Sea freight	1.3	0.6	0.7	+120%	1.3	3.7
Perishables	4.2	0.6	3.6	+576%	4.2	8.6
Airtruck road transportation	0.9	0.5	0.4	+76%	0.9	2.3
Airnex cargo sales agent	0.3	0.1	0.2	+258	0.3	0.9
Imports and distribution	1.8	0.6	1.2	+182	1.8	3.9
New Zealand	0.3	0.1	0.3	+372	0.3	2.0
China	0.01	-	-	-	0.01	1.4
<b>Total</b>	<b>31.0</b>	<b>20.3</b>	<b>10.7</b>	<b>+53%</b>	<b>31.0</b>	<b>102.6</b>

YTD = year to date since 1 July

## CEO commentary

As an essential service provider during the COVID-19 pandemic, Wiseway has continued to operate its import and export services between Australia, and Asia. Wiseway's integrated service offering, through leveraging its relationships with key distribution partners, has enabled delivery of customers' cargo in and out of Asia via a combination of alternative routes.

Mr Roger Tong, Chief Executive Officer, commented, "Trade activity and transaction volumes from China, particularly via major e-commerce platforms, remain high and we saw trends from 2H of FY20 continuing. Our core business – air freight inbound and outbound – generated revenue of \$22.2 million in Q1 FY21, an increase of 24% on Q1 FY20.

"We have significantly diversified our revenue stream, increasing the revenue component from new businesses to 29%, compared to 5% at the time of the IPO.

"Pleasingly – complementing the core business growth, was a continued step-up in performance across all our new business divisions thanks to a number of new major customer wins, including large Australian exporters of salmon and exporting into a wide range of countries other than China, for example in South-East Asia, as well as Japan.

"The standout was the stellar performance in our perishables business, of exporting fresh produce, live seafood, chilled seafood, chilled fresh milk and chilled meat; with a revenue of \$4.2 million during Q1 FY21, a seven-fold rise compared to Q1 FY20. This level represents nearly half of the revenue generated in perishables for the full year in FY20. The market for imported fresh produce in

China is seeing unprecedented growth in demand, for which Wiseway is perfectly positioned to deliver on.

“We have implemented operational ‘COVID-19 safe’ procedures, and have been able to continue operations and service customers across Australia, including those in Victoria throughout the period of the State’s border closure. As a result our interstate road transportation service, Airtruck, saw revenue growth of 76% to \$0.9 million on the previous corresponding quarter.

“Notably, our importing services for general cargo and e-commerce, now fully set up, are gaining momentum, with revenue of \$1.8 million in Q1 FY21, up 182% on Q1 FY20.”

## **Outlook**

Currently, demand for logistics services remains high. However, due to the unpredictable nature of the global pandemic, this may vary as the situation develops over time.

The breadth and depth of our diversified logistics services, our highly experienced management team, and the risk management plans we have put in place, position Wiseway to actively manage its operations and maximise its outcomes in the prevailing operating environment.

The Board and Management of Wiseway are focused on supporting our employees, customers, broader community and international trade during these anxious and difficult times.

Wiseway will continue to update the market as and when necessary.

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For further information, please contact:

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## **About Wiseway Group Limited (the Company)**

Wiseway (ASX: WWG) is a leading provider of integrated logistics in Australia and New Zealand with a nationwide network of strategically located warehouses and facilities and with a large modern fleet of trucks and delivery vehicles. The Company was established in 2005 and listed on ASX in October 2018. Wiseway has grown to become one of the top three outbound air freight logistics providers in Australia with a specialist focus on Australia and Asia trade. Wiseway’s focus is on cross-border logistics including air freight, sea freight, import services, domestic transportation, warehousing and customs clearance services, to a large customer base of domestic and international customers across its two main segments, general cargo and perishable cargo.

**Website:** [www.wiseway.com.au](http://www.wiseway.com.au)