



# Annual General Meeting CEO Presentation

15 November 2021



**SILK**  
LOGISTICS  
HOLDINGS

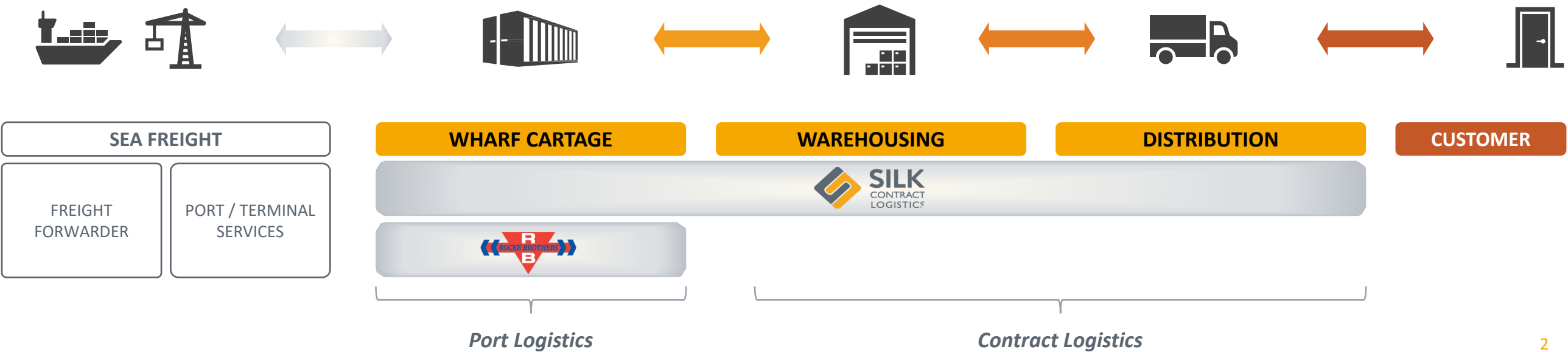
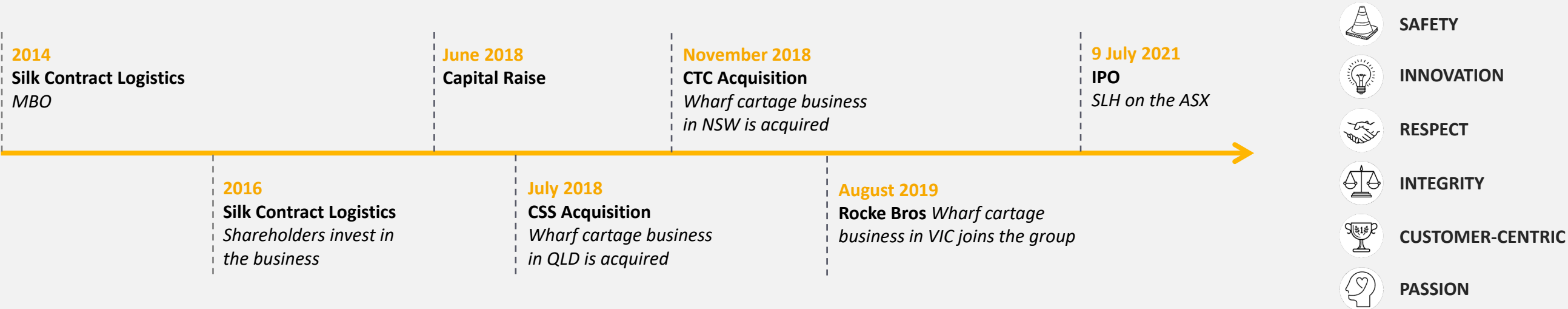
Presenter

Brendan Boyd, MD & CEO



# DELIVERED PROSPECTUS FORECAST. DRIVING FUTURE GROWTH

The market leader of innovative supply chain solutions through our people and connected networks





# OVERVIEW



# SUCCESSFULLY NAVIGATING CHALLENGES

Asset light and agile operating model



Silk has been successfully adapting to and navigating through the market changes since the beginning of the pandemic

## Revenue and earnings growth

- Demonstrated ability to adapt and leverage asset light model.
- As an essential service Silk has been able to continue to operate across the network.

## Customer forecasts

- Customer stock build started early in 2021, after lessons learned from 2020 – storage flowing into warehouse remains above FY22 forecast.

## Container/vessel availability

- As top tier carrier, Silk has priority over other carriers for timeslot bookings at Port – move containers quickly when they arrive.

## New opportunities

- Silk is forging a reputation for delivering certainty of supply.
- Continue to win new business in Q1FY22 – new volume balances out troughs.

## Volume fluctuations

- Asset light model allows Silk to flex equipment and workforce to meet market conditions, across Port Logistics, Warehousing and Distribution.

## MUA Industrial action

- Silk's Port Logistics segment has performed strongly over the past 2 years despite on-going industrial action.

## Meeting customer requirements

- Continuing ability to flex to meet demand and navigate challenges.
  - Silk's technology enabled operating capability providing essential supply chain visibility.

## Labour shortages due to COVID-19

- Broad and cross skilled workforce.
- Long-standing partnerships with agencies.
  - Handling revenues holding, however performance impacted by COVID-19.

## COVID-19 in Australia

- Despite COVID-19 delays, M&A activity is progressing.
- Next 12-18 months could represent fertile ground for inorganic growth.





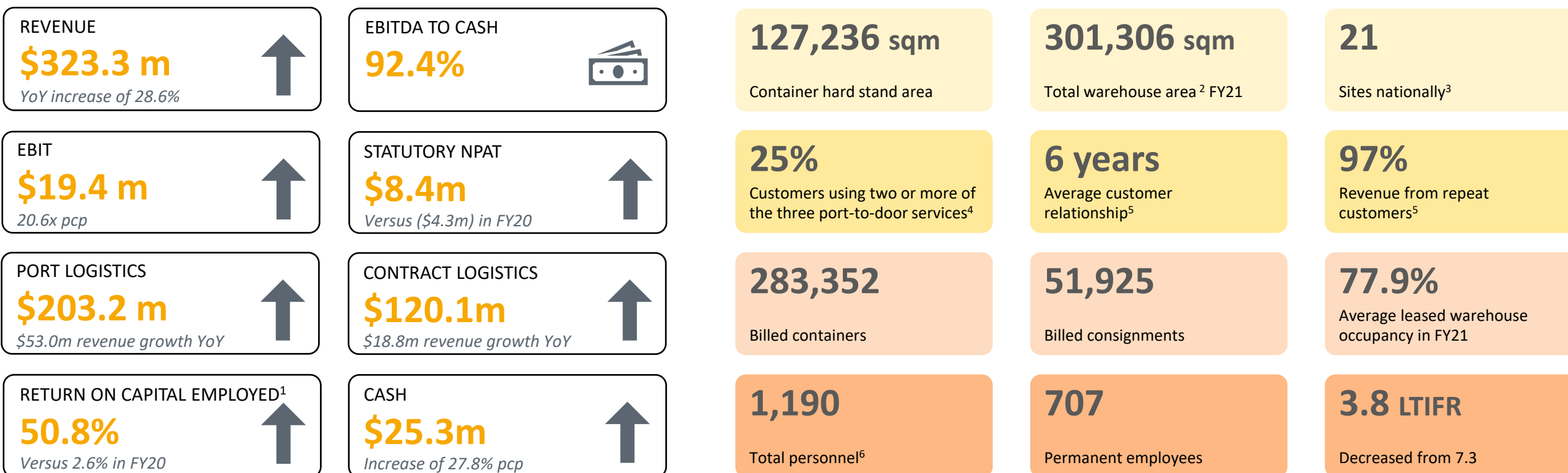
# FINANCIAL PERFORMANCE





# FY21 PERFORMANCE HIGHLIGHTS

Delivered Prospectus forecast. Driving future growth.



## Key Clients include:



All financials in this presentation are stated on a pre-AASB16 Leases accounting basis and before significant items, unless otherwise stated. FY21 financial results are for the 52-week period ended 27 June 2021, and FY20 financial results are for the 52-week period ended 28 June 2020.

<sup>1</sup> ROCE = EBIT pre AASB16 leases and before significant items / (equity + net debt / (cash)).

<sup>2</sup> As at end of June 2021; leased and facilities managed sites.

<sup>3</sup> Port Logistics and Contract Logistics sites.

<sup>4</sup> As per Prospectus FY21 figures – 88% of warehouse customers also using wharf cartage and/or distribution services.

<sup>5</sup> As per Prospectus FY21 figures.

<sup>6</sup> Includes company employed (permanent, fixed term, casual), agency supplied and contracted labour.



# FY22 UPDATE



## Customer trade

Top 20 customers trading 30% up pcp. Have renewed or extended 7 major contracts within Contract Logistics and secured 3 clients on long term contracts in Port Logistics.

## New business wins

Strong revenue growth set to continue with YTD new business wins and organic revenue growth of \$18.91 million, all set to commence in the current financial period.

## Billed Containers

YTD Port Logistics billed container volumes up 1% on FY22 Prospectus forecast and 12% versus pcp.

## Warehouse Occupancy

Average warehouse storage utilisation YTD at 82.1%, above FY22 Prospectus forecast of 80.1% and 73.3% versus pcp.

## Billed Consignments

Distribution billed consignments YTD are 26.9% ahead of FY22 Prospectus forecast and 58% versus pcp.

## Labour

Successfully negotiated Enterprise Agreement in VIC and have an In Principle Agreement in Queensland for a new Enterprise Agreement, with vote to occur this month.

## M&A opportunities

Whilst COVID has certainly slowed progress Silk is confident that it will secure at least one acquisition in the current financial period to strengthen Silk's capabilities.



***Management is confident that it will deliver the full year FY22 financial result at or above the IPO Prospectus forecast and continue to drive future growth.***





THANK YOU



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