Company Announcement
23 February 2023

MOVE LOGISTICS GROUP 1H23 RESULTS

Transport and logistics group, MOVE Logistics Group Limited (NZX/ASX: MOV), has today released its unaudited result for the six months ended 31 December 2022 (1H23)[1].

The result reflects investment into growth initiatives and solid contributions from the Contract Logistics and International businesses, offset by a disappointing result from the Freight business, as the Improvement programme takes longer than originally anticipated to complete.

The company's primary focus remains on resetting and strengthening the core business. A digital transformation is underway and investment is being made into other growth initiatives including commencing the new Oceans operations and expanding MOVE's footprint in priority customer sectors.

Economic conditions continued to impact on the business during 1H23, with increasing inflationary pressure, driver shortages, higher absenteeism due to Covid and the impact of adverse weather on customers across a range of sectors including agriculture and infrastructure.

Revenue for the six months was $169.5m, down 4% on the prior comparative period (pcp) following the contraction of the Freight customer base in FY22 to address margin. Freight rates are now better aligned to the market and further work is underway to improve efficiency and rebuild the customer base and volumes. Contract Logistics delivered a solid revenue result in line with the prior year, while International revenue was up 26% off a smaller base.

Normalised EBITDA of $21.9m[2] included investment of $1.6m in growth strategies. In addition, as part of the Freight Improvement programme, costs have increased as MOVE has strengthened its network capability.

Reported net loss after tax including discontinued operations was $1.5m[3] and includes non-trading adjustments of $1.0m pre-tax related to goodwill impairment. MOVE has a reported normalised net loss after tax of $1.8m (before non-controlling interests).

MOVE has a robust balance sheet with strong operating cashflows and an improved cash conversion rate for the six months. As at 31 December 2022, net debt was $21.6m, with undrawn facilities of $20m for the company to continue executing its strategic plans.

Looking Forward

MOVE was pleased to welcome experienced transport and logistics sector executive, Craig Evans, as CEO from 1 February 2023. Craig was most recently head of Mainfreight's New Zealand operations. He will lead the execution of MOVE's strategy across the group, working with MOVE's team of more than 1,200 people.

[1] All financials in NZD. The company has reported on continuing operations which exclude Specialist due to the planned divestment of this division. 1H22 results have been restated to exclude discontinued operations.
[2] Normalised EBITDA excludes non-trading adjustments of $1.0m pre-tax related to goodwill impairment (1H23 EBITDA before non-trading was $20.9m). Further details are included in appendix to the MOVE Logistics Group 1H23 presentation.
[3] Including discontinued operations; attributable to owners of the company

Craig said: “We are on a journey to position MOVE as a solutions-driven transport and logistics business and a leader in our industry. Our teams offer a wealth of experience and energy that supports our goal to deliver a high value proposition for our customers and shareholders. While there is still work to do, we have multiple initiatives underway as we focus on working our assets smarter, investing in what matters, and driving returns for our business.

“We recognise that challenging trading conditions will surround us in 2H23, further exasperated after the recent adverse weather events. Our teams have been working tirelessly to ensure the continuation and quick return of our services and networks during this time and our thoughts are with all New Zealanders who have been affected.

“A tight focus on cost control, excellent customer service, and a culture of innovation and inclusivity will help support our business through the economic cycle. Investment in growth initiatives such as digital transformation and the new trans-Tasman shipping service demonstrates a changing mindset driven by our team”.

ENDS

For further information, please contact:

Craig Evans
Chief Executive Officer
Phone: +64 274 353 897
Email: craig.evans@movelogistics.com

Lee Banks
Chief Financial Officer
Phone: +64 27 525 2876
Email: Lee.Banks@movelogistics.com

For media assistance, please contact: Jackie Ellis t: + 64 27 246 2505 e: jackie@ellisandco.co.nz

About MOVE Logistics Group Limited (MOV)

MOVE is one of the largest domestic freight and logistics businesses in New Zealand, with a nationwide network of branches, depots and warehouses.

MOVE LOGISTICS GROUP LIMITED
HY23 RESULTS

23 February 2023

/ HY23 PERFORMANCE SNAPSHOT

Continuing Operations[1]

INCOME	EBITDA Normalised[2]	EBIT Normalised[2]	NLAT[3]
$169.5m	**$21.9m**	**$2.2m**	**$(1.5)m**
1H22: $176.6m	1H22: $28.1m	1H22: $6.4m	1H22: $(1.4)m

LTIFR	CAPEX	GEARING	OPERATING CASHFLOW
15.37	**$13.0m**	**23.0%**	**$26.9m**
Dec 21: 17.75	1H22: $2.2m	1H22: 22.6%	1H22: $25.2m

1. *Continuing operations excludes Specialist due to the planned divestment of this division*
2. *Normalised EBITDA, Normalised EBIT and Normalised NPAT exclude non-controlling interest and non-trading adjustments of $1.0m pre-tax related to asset impairment & restructuring the business (1H22: $0.7m). 1H23 EBITDA before non-trading was $20.9m.*
3. *Including discontinued operations, attributable to owners of the company*

HY23 OPERATING ENVIRONMENT
Softer conditions than expected despite COVID recovery

- Increasing inflationary pressure, particularly fuel and labour costs
- Ongoing Covid impact, mainly in absenteeism
- Driver shortages remain acute, with increased competition for Owner Drivers pushing up costs
- Weather impact on customers across a range of sectors including agriculture and infrastructure
- Supply chain disruption and increased costs impacting on timing of Freight improvement programme
- Some easing of supply chain issues later in 1H23, with international freight costs reducing off peak highs
- Falling consumer confidence and high interest rate environment

UPDATE ON KEY STRATEGIC PRIORITIES

Primary focus on resetting and strengthening core business

- Freight improvement taking longer than anticipated – focus remains on service levels to increase value proposition, digital transformation and transition to asset light model
- Further work underway to improve efficiency and rebuild customer base and volumes
- Digital transformation underway – implementing new Freight management & HR platforms
- Focus on growth opportunities - expanding footprint in priority customer sectors, investing in shipping and building customer base
- New Oceans strategy, a feeder to MOVE's freight and logistics network
- Ongoing divestment process for Specialist business

Post Period-End

- Appointment of Craig Evans as CEO from 1 February 2023
- Commenced MOVE Oceans trans-Tasman shipping route in January 2023

INVESTMENT INTO STRATEGY
1H23 result includes investment in digital transformation and diversification

$000s	1H23
Oceans – start up costs	762
Digital Technology - FuseIT	619
Vertical Diversification - Dairy	190
Total 1H23 EBITDA Impact	1,571

/ FINANCIAL RESULTS

HY23 GROUP SUMMARY

$Millions Continuing Operations[1]	1H23	1H22	1H23:22 $ change
Total Income	169.5	176.6	(7.1)
Normalised EBITDA[2]	21.9	28.1	(6.2)
Normalised EBIT[2]	2.2	6.4	(4.2)
Normalised (NLAT)/NPAT[2]	(1.8)	0.5	(2.3)
Reported (NLAT) including discontinued operations[3]	(1.5)	(1.4)	(0.1)
EPS (cents)	(2.91)	(0.65)	(2.26)
Free cashflow	15.6	24.2	(8.6)
Net Debt	21.6	20.9	(0.7)

1. *Continuing operations excludes Specialist due to the planned divestment of this division*
2. *Normalised EBITDA, Normalised EBIT and Normalised NPAT excludes NCI and non-trading adjustments of $1.0m pre-tax related to asset impairment and restructuring (1H22: $.7m)*
3. *Including discontinued operations, attributable to owners of the company*

- Softer half year results as Freight improvement programme continues and investment made into growth initiatives
- Solid revenue from Contract Logistics and International offset by soft performance in Freight
- EBITDA reflects investment into growth initiatives, Freight improvement programme and digital transformation
- Free cash flow reduction due to capital expenditure relating to Oceans expansion

NORMALISED EBITDA

Normalised EBITDA excludes non-trading adjustments of $1.0m pre-tax related to goodwill impairment. Further details included in appendix to this presentation. 1H23 EBITDA was $20.9m

- Freight improvements and growth initiatives will be primary drivers of EBITDA gains going forward
- Freight: Contracted the Freight customer base in FY22 to address low margin service provision
- Freight: Investment in network optimisation, digital and Owner Drivers to deliver improved, high value service going forward
- Contract Logistics: Growth in warehousing and logistics offset by cost increases in delivery of fuel service
- International: Reflects investment into new shipping opportunity

BALANCE SHEET REMAINS STRONG

$000s	December 22	June 22	change Dec22 v Jun22
Cash	12,590	14,940	-2,350
Trade and other receivables	56,266	60,294	-4,028
Assets held for sale	25,491	25,263	228
Other current assets	212	-	212
ROU assets	145,911	150,381	-4,470
Property, plant, equipment	65,498	57,761	7,737
Intangible assets	15,793	18,058	-2,265
Other non-current assets	1,917	420	1,497
TOTAL ASSETS	**323,678**	**327,117**	**-3,439**
Current liabilities	88,191	85,555	2,636
Non current borrowings	22,469	24,324	-1,855
Convertible note	7,996	7,792	204
Other non current liabilities	3,108	3,115	-7
Lease liability	129,831	133,338	-3,507
TOTAL LIABILITIES	**251,595**	**254,124**	**-2,529**
Total equity	72,083	72,993	-910
TOTAL EQUITY AND LIABILITIES	**323,678**	**327,117**	**-3,439**

- MOVE has sufficient funding in place to continue with its strategic plans
- Total facilities - $46m
  Undrawn $20m

$000s	1H23	1H22	Change 23 v 22
Net Debt	21,583	20,889	694
Gearing	23.0%	22.6%	0.4%
Fixed Charge Cover Ratio*	1.45	-	-
Interest Cover Ratio*	-	2.20	-

** Bank covenants were changed from Interest Cover ratio to Fixed Charge Cover ratio as part of the refinancing completed in FY22*

/ CASH FLOW

$000s	1H23	1H22	change 23 v 22
Normalised EBITDA excl. non-cash items	21,684	28,251	-6,567
Restructuring costs	3	(747)	+750
Working capital movement	5,215	(2,291)	+7,506
Net operating cashflows	26,902	25,213	+1,689
Net capital expenditure	(11,260)	(959)	-10,301
Free cash flow	**15,642**	**24,254**	**-8,612**
Acquisitions	0	200	-200
Net cash flow before financing and tax	**15,642**	**24,454**	**-8,812**
Net interest payments	(4,583)	(5,646)	+1,063
Tax payments	(504)	(258)	-246
Cash flow before movements in net debt	**10,555**	**18,550**	**-7,995**
EBITDA cash conversion	**124.0%**	**91.7%**	**32.3%**

IMPROVED CASH CONVERSION

- Free cash flow reduction due to capital expenditure relating to Oceans expansion
- Working capital improved due to reduction in overdue debtors and an increase in employee accruals (due to payroll timings)
- Net operating cashflow remains strong
- Cash conversion of 124% much improved on prior year due to reduced working capital
- Interest expense was lower due to reduced debt levels
- Hedge position in place to fixed interest cost for >75% of debt

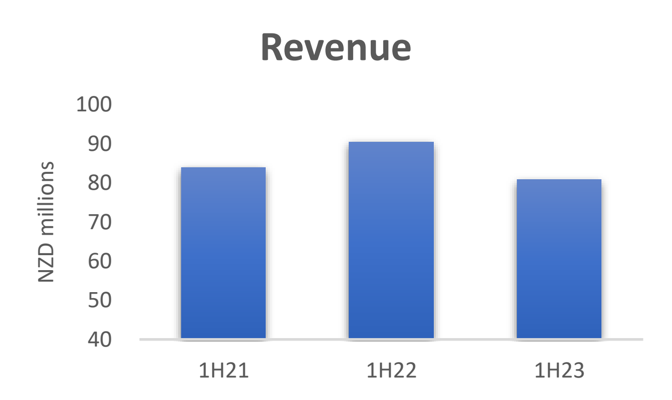
/ OPERATIONAL PERFORMANCE

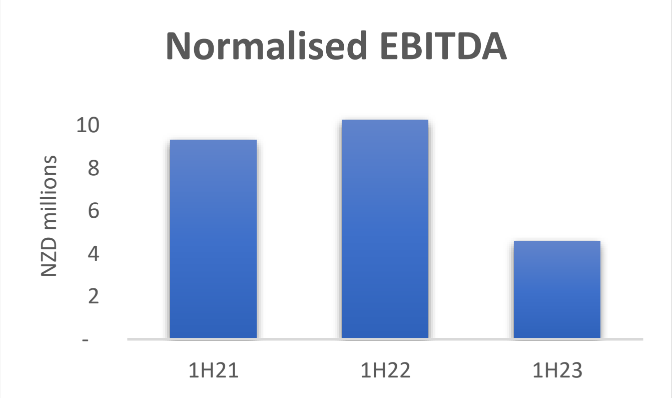
FREIGHT

Disappointing HY performance, improvement programme taking longer than anticipated

- Softer 1H23 sales due to inflationary pressures on customer demand, uprating and wet weather affecting customer projects
- Higher fuel prices passed onto customers and reflected in revenue
- EBITDA margin at 5.7%, reflecting infrastructure investment – digital, transition to asset light model, fleet upgrade and service delivery
- Contracted the business in FY22 to address margin. Rates now better aligned to the market and reflective of service delivery
- Optimising network to better service LCL customers – more trucks on fixed schedules, increase in number of drivers (higher cost of Owner Drivers)
- Unexpected contract loss of circa. $14m revenue p.a. – one month of loss included in HY period
- Going forward – focus on higher margin customers and contracts, leveraging improved service offer, cost management remains a priority
- Rollout of new TMS system continuing and will deliver efficiencies

Revenue: $80.9m, -11%
EBITDA: $4.6m, -55%



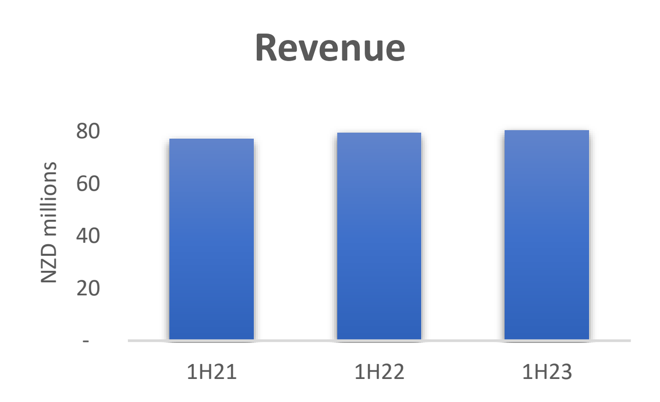


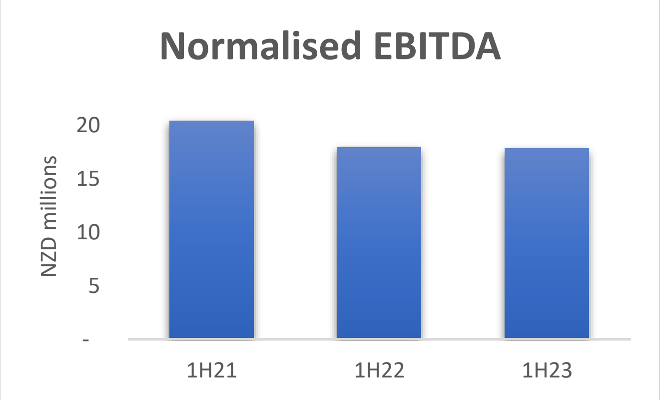
CONTRACT LOGISTICS

Steady state with excellent management and strong customer relationships

- EBITDA margin remains solid at 22.1%
- Warehouse capacity at high levels with high existing customer renewal rate alongside increasing new customer demand
- Opportunities exist to expand MOVE's warehousing footprint
- Focus on cost control in the high inflation environment helping to continue delivering consistent margin performance
- Fuel revenue impacted by loss of customer contract in 2H22 and reduced volume impact from Covid
- Driver shortages and sub-contractor use to deal with fluctuation in fuel volumes continue to impact margin
- Investment incurred to explore Dairy vertical

Revenue: $80.5m, +1%
EBITDA: $17.8m, -1%

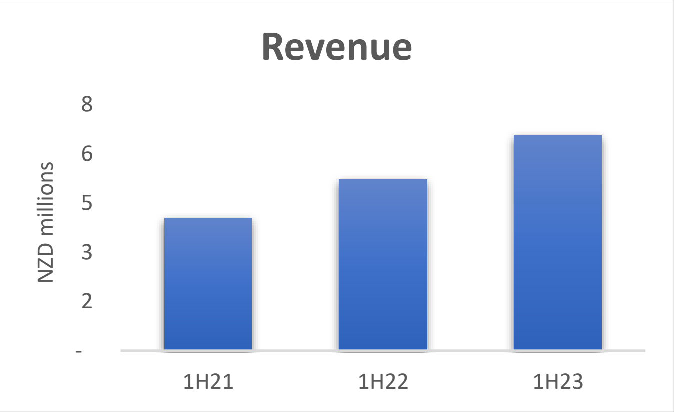


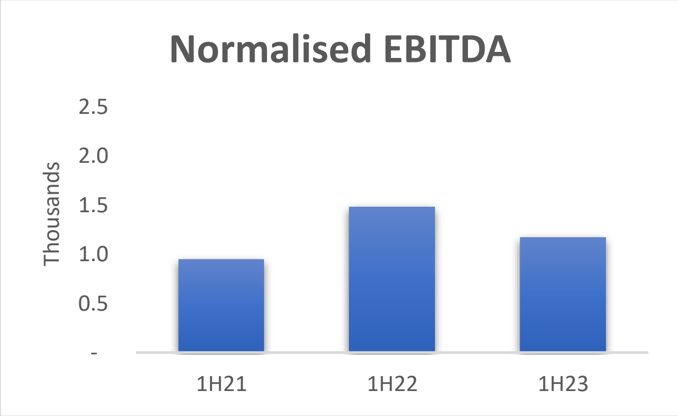


INTERNATIONAL
Commencement of Oceans strategy

Revenue: $6.6m, +26%
EBITDA: $1.2m, -21%

- EBITDA margin reduced to 17.9% - reflects start up costs of Oceans strategy
- International freight volumes have remained high, some easing in freight pricing
- Investment into start up of Oceans strategy
- Commenced trans-Tasman shipping service in January 2023
- Commissioned new build ship for coastal shipping expected to be in operation Q1 2024. Supported by $10m co-funding from Waka Kotahi



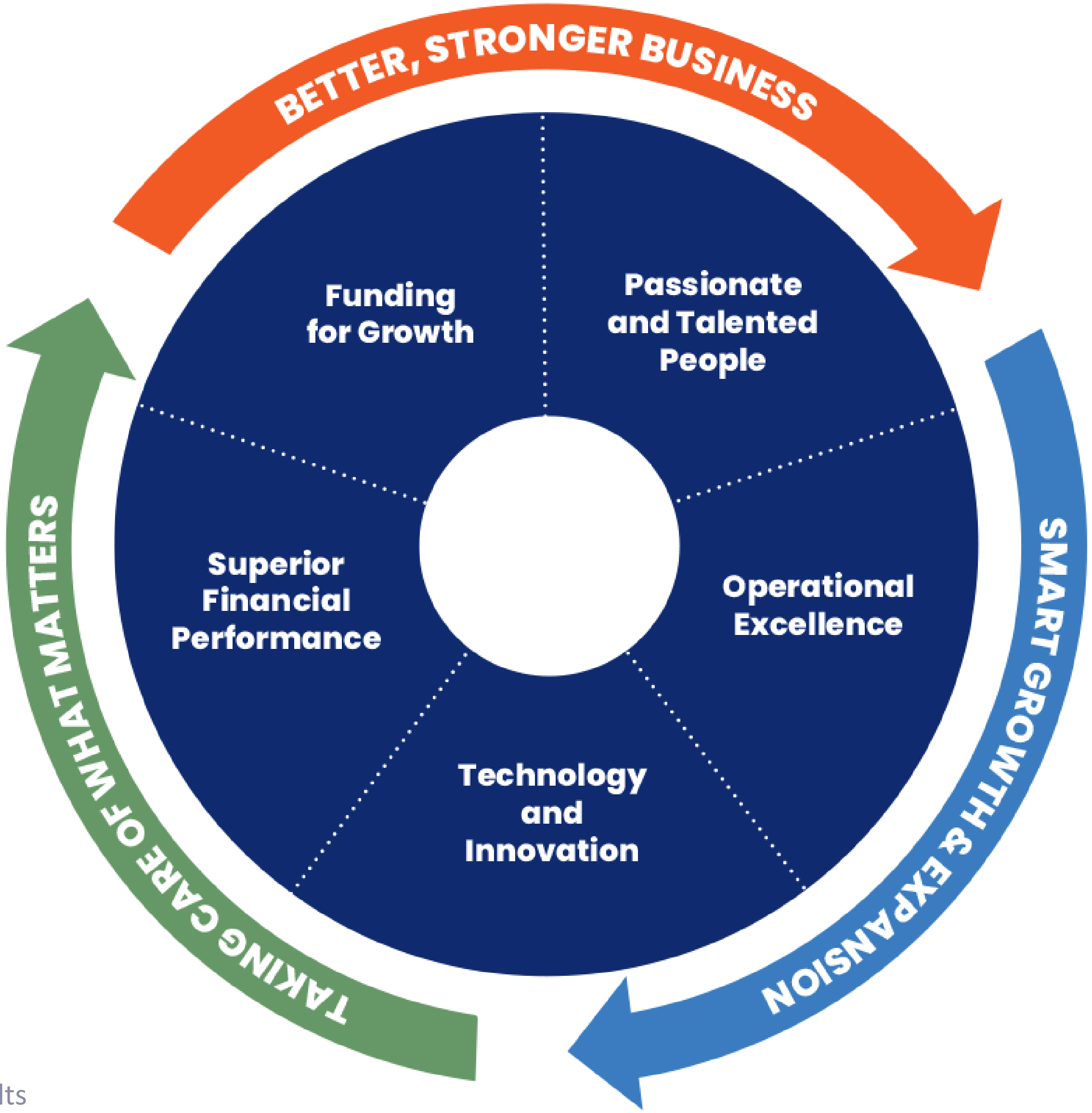


LOOKING FORWARD

OUR VISION

To be the best freight and logistics company in Australasia and a leader in sustainable logistics services.

STRATEGY FOR GROWTH



STRATEGIC PILLARS AND 2H23 INITIATIVES

Strategic review underway by new CEO

	BETTER STRONGER BUSINESS	SMART GROWTH & EXPANSION	TAKING CARE OF WHAT MATTERS
STRATEGIC PILLARS	• Work our assets smarter • Build our multi-modal offer • Optimise earnings	• Deliver for our customers • Upsize our business	• Having a positive impact on our people, communities and the environment
KEY INITIATIVES	• Continue to execute Freight improvement programme • Rollout Freight management and human resources IT systems • Build demand for new trans-Tasman shipping route • Primary focus on improving margins	• Focus on improving customer service and delivery • Expand and further cross sell services between Freight and Contract Logistics • Expand the solutions provided to each customer • Build a greater presence in targeted sectors including Viticulture, Aquaculture, Dairy and Beverages • Continued assessment of acquisition and growth opportunities	• Safety first, middle and last • Continue to build and strengthen culture - "We MOVE as One" • Range of initiatives in place to reduce carbon emissions • On track with preparations for mandatory climate-related disclosures and reporting

RESILIENCE
Prepared for change

- Strong cyber strategy, subject to regular review
- Reliable Freight, Fuel and Warehouse networks, providing customers with certainty despite weather events
- Oceans strategy supporting increased role of coastal shipping in New Zealand's transport network; will provide optionality during road closures and remediation
- Ability to mobilise a large fleet enables MOVE to work around network outages, such as derailments and line closure
- Diversified customer base and new client relations across the Tasman as a result of Oceans strategy

2H23 OUTLOOK

Primary focus on Freight improvement and Oceans operations

- Potential moderation in customer activity due to economic conditions; impact of wet weather on operations and customers in January and February
- Continuing to strengthen the business foundation and invest into resources, capability and technology
- Freight reset remains in progress. Gains from Freight Improvement programme will be biggest driver of improving financial returns
- Inflationary pressures expected to continue and demand regular interaction with clients as to rate levels and sustainability
- Contract Logistics and International – performing to expectations with good demand and margins
- Trans-Tasman shipping underway
- Given uncertain economic and market conditions, and a business review by the new CEO, no guidance is being provided at this time

APPENDICES

Craig Evans

Chief Executive Officer

Phone: +64 274 353 897

Email: craig.evans@movelogistics.com

Lee Banks

Chief Financial Officer

Phone: +64 27 525 2876

Email: Lee.Banks@movelogistics.com

Non-GAAP Reconciliation

$Millions	1H23	1H22
Net (loss) before income tax from continuing operations (GAAP measure)	**(3.74)**	**(0.18)**
Add back:		
Share of loss of associates	0.06	0.05
Net finance costs	4.81	5.76
Loss in investment in associates	-	0.06
Restructuring costs	(.11)	0.74
Share acquisition costs	0.11	0.01
Goodwill and asset impairment	1.02	-
Depreciation & Amortisation	19.76	21.64
EBITDA excluding non-trading items (non-GAAP measure)	**21.91**	**28.08**
Net (loss) after income tax (GAAP measure) attributable to owners	**(1.45)**	**(1.37)**
Less: Discontinued operations after tax	(1.93)	0.74
Add back:		
Non-controlling interests	0.59	0.34
Other non-trading expenses, net of tax:		
Goodwill and asset impairment	1.02	-
Restructuring costs	(0.11)	0.74
Share acquisition costs	0.11	0.01
Net (loss)/profit after tax excluding non-trading items (non-GAAP measure)	**(1.77)**	**0.46**

MOVE Logistics Group uses several non-GAAP measures when discussing financial performance and the Board and Management believes this provides a better reflection of the company’s underlying performance.

- EBITDA: Earnings before interest, tax, depreciation, amortisation excluding income and impairment from associates. 1H23 EBITDA was $20.9m
- Normalised EBITDA: EBITDA before non-trading costs
- Normalised EBITDA Margin: Normalised EBITDA as a percentage of total income
- Normalised EBIT: Normalised EBITDA less depreciation and amortisation
- Free cash flow: EBITDA excluding non-cash items plus movements in working capital, less net capital expenditure
- Net debt: interest bearing liabilities less cash and cash equivalents
- Operating cash conversion: cash generated from operations as a %age of EBITDA less non-cash items
- LTIFR: Lost time injury frequency rate
- Interest Cover ratio: EBIT/Interest Expense
- Fixed Charge Cover ratio: EBITDA + Rent & Operating Lease Expense / Interest + Rent & Operating Lease Expense

DISCONTINUED OPERATIONS

Discontinued Operations - $000s	1H23	1H22	change
Revenue	10,336	6,134	4,202
Net profit/(loss) before tax	2,687	(1,031)	3,718
Net profit/(loss) after tax	1,935	(742)	2,677
Net Cashflows	2,012	(236)	2,248
Assets classified as held for sale	25,491	25,263	
Liabilities directly associated with assets classified as held for sale	6,083	6,149	

1H23 does not include depreciation due to held for sale classification (1H22: $1.56m)

PLANNED DIVESTMENT OF SPECIALIST ACTIVITIES

- Planned divestments align to our strategic reset
- Limited cross-over to Freight and Contract Logistics divisions
- In discussion with multiple interested parties

Disclaimer

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INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTH PERIOD ENDED 31 DECEMBER 2022

CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME

SIX MONTHS ENDED 31 DECEMBER 2022

	NOTES	UNAUDITED 6 MONTHS TO DECEMBER 2022 $000	UNAUDITED 6 MONTHS TO DECEMBER 2021 $000*
Revenue		167,908	175,190
Gains on disposal of assets		756	434
Lease income		612	640
Other income		244	333
Total Income		**169,520**	**176,597**
Transport costs		(73,530)	(72,564)
Employee costs		(57,926)	(59,756)
Rental / lease expenses		(2,405)	(1,862)
Other operating expenses		(13,744)	(14,340)
Depreciation of right of use assets		(14,076)	(15,543)
Other depreciation / amortisation expenses		(5,682)	(6,095)
Other non operating expenses		(1,023)	(808)
Total Operating Expenses		**(168,386)**	**(170,968)**
Finance costs relating to lease liabilities		(3,657)	(4,107)
Other finance costs - interest on borrowing		(1,206)	(1,653)
Interest income on short term deposit		55	1
Operating deficit before income tax		**(3,674)**	**(130)**
Share of loss of associates		(66)	(51)
Loss Before Income Tax		**(3,740)**	**(181)**
Income tax credit / (expense)		941	(101)
LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS		**(2,799)**	**(282)**
Net surplus / (loss) from discontinued operations after tax		**1,933**	**(742)**
LOSS FOR THE PERIOD		**(866)**	**(1,024)**
Loss attributable to:			
Owners of the company		(1,453)	(1,368)
Non-controlling interests		587	344
		(866)	**(1,024)**
Other comprehensive income:			
Comprehensive Income for the Period, Net of Tax		-	-
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD, NET OF TAX		**(866)**	**(1,024)**
Earnings per share for loss attributable to the ordinary equity holders of the Company		**CENTS**	**CENTS**
Basic and diluted earnings per share from continuing operations		(2.91)	(0.65)
Basic earnings per share for loss attributable to the ordinary equity holders of the company		(1.25)	(1.43)

The above consolidated Statement of Profit or Loss & Other Comprehensive Income should be read in conjunction with the accompanying notes.

*Certain amounts and relevant notes have been restated to reflect adjustments relating to discontinued operations consistent with the audited annual financial statements for the period ended 30 June 2022.

Lorraine Witten - Chair
22 February 2023

Grant Devonport - Director
22 February 2023

CONSOLIDATED INTERIM BALANCE SHEET

AS AT 31 DECEMBER 2022

	NOTES	UNAUDITED 31 DECEMBER 2022 $000	AUDITED 30 JUNE 2022 $000
ASSETS			
Current Assets			
Cash and cash equivalents		12,590	14,940
Inventories		212	-
Trade and other receivables		56,266	60,294
Assets held for sale		25,491	25,263
Total Current Assets		**94,559**	**100,497**
Non-Current Assets			
Property, plant and equipment	6	65,498	57,761
Right of use assets		145,911	150,381
Intangible assets		15,793	18,058
Deferred income tax asset		1,540	149
Other receivables		172	-
Investments in associates		205	271
Total Non-Current Assets		**229,119**	**226,620**
TOTAL ASSETS		**323,678**	**327,117**
EQUITY			
Share capital		75,188	75,188
Other reserves		44	88
Accumulated losses		(6,534)	(5,081)
Equity attributable to owners of the parent		68,698	70,195
Non-controlling interest in equity		3,385	2,798
TOTAL EQUITY		**72,083**	**72,993**
LIABILITIES			
Current Liabilities			
Trade and other payables		38,792	38,092
Tax payable		540	211
Deferred revenue		1,128	521
Borrowings		3,708	3,713
Lease liability		26,173	26,393
Employee entitlements		11,767	10,476
Liabilities directly associated with assets classified as held for sale		6,083	6,149
Total Current Liabilities		**88,191**	**85,555**
Non-Current Liabilities			
Borrowings		22,469	24,324
Lease liability		129,831	133,338
Convertible note		7,996	7,792
Derivative financial instrument		849	849
Provisions for other liabilities and charges		2,259	2,266
Total Non-Current Liabilities		**163,404**	**168,569**
TOTAL LIABILITIES		**251,595**	**254,124**
TOTAL EQUITY & LIABILITIES		**323,678**	**327,117**

The above consolidated Balance Sheet should be read in conjunction with the accompanying notes.

CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the company							
	NOTES	SHARE CAPITAL $000	RETAINED EARNINGS/ (ACCUM. LOSSES) $000	OTHER RESERVES $000	TOTAL $000	NON-CONTROLLING INTEREST $000	TOTAL EQUITY $000
Balance as at 1 July 2021		**37,054**	**(873)**	**48**	**36,229**	**1,738**	**37,967**
Comprehensive income							
(Loss) / profit for the period		-	(1,368)	-	(1,368)	344	(1,024)
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income		**-**	**(1,368)**	**-**	**(1,368)**	**344**	**(1,024)**
Cumulative translation adjustment		-	-	24	24	-	24
Transactions with owners:							
Issue of ordinary shares		38,100	-	-	38,100	-	38,100
Employee share scheme		-	-	(4)	(4)	-	(4)
Balance as at 31 December 2021		**75,154**	**(2,241)**	**68**	**72,981**	**2,082**	**75,063**
Balance as at 1 July 2022		**75,188**	**(5,081)**	**88**	**70,195**	**2,798**	**72,993**
Comprehensive income							
(Loss) / profit for the period		-	(1,453)	-	(1,453)	587	(866)
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income		**-**	**(1,453)**	**-**	**(1,453)**	**587**	**(866)**
Cumulative translation adjustment		-	-	(52)	(52)	-	(52)
Transactions with owners:							
Employee share scheme		-	-	8	8	-	8
Balance as at 31 December 2022		**75,188**	**(6,534)**	**44**	**68,698**	**3,385**	**72,083**

The above consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

	NOTES	UNAUDITED 6 MONTHS TO DECEMBER 2022 $000	UNAUDITED 6 MONTHS TO DECEMBER 2021 $000*
Cash flows from operating activities			
Receipts from customers		174,143	167,282
Interest received		55	1
Dividends received		2	2
Payments to suppliers and employees		(147,729)	(142,559)
Government subsidy received		75	27
Notional finance charge on NZ IFRS 16 leases		(3,657)	(4,107)
Interest paid		(981)	(1,539)
Income tax paid		(504)	(258)
Net cash generated from operating activities		**21,404**	**18,849**
Cash flows used in investing activities			
Purchase of property, plant and equipment		(11,996)	(1,560)
Proceeds from sale of property, plant and equipment		1,155	1,229
Purchase of intangible assets		(10)	(169)
Sale of investment in associates		-	200
Net cash used in investing activities		**(10,851)**	**(300)**
Cash flows from financing activities			
Repayment of borrowings		(1,879)	(36,711)
Proceeds from share issue		-	38,100
Repayment of lease liability (NZ IFRS 16)		(13,036)	(13,924)
Net cash flow used in financing activities		**(14,915)**	**(12,535)**
Net increase in cash and cash equivalents		(4,362)	6,014
Net increase in cash and cash equivalents -discontinued operations		2,012	(236)
Cash and cash equivalents at beginning of the period		14,940	13,214
Cash and cash equivalents 31 December		**12,590**	**18,992**

The above consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

*Certain amounts and relevant notes have been restated to reflect adjustments relating to discontinued operations consistent with the audited annual financial statements for the period ended 30 June 2022.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

1.1. REPORTING ENTITY

The core operations of MOVe Logistics Group Limited ("MOVe Logistics" or the "Company") and its subsidiaries (collectively "the Group") are in the New Zealand logistics sector. These include general transport, bulk liquids, heavy haulage, shipping, warehousing and distribution, freight forwarding, national and international household removals and storage.

The Company is incorporated and domiciled in New Zealand, registered under the Companies Act 1993 and is a FMC Reporting Entity under part 7 of the Financial Markets Conduct Act 2013. The Company is dual listed with its primary listing of ordinary shares quoted in New Zealand on the NZX Main Board, and a secondary listing in Australia as a foreign Exempt Entity on the Australian securities exchange (ASX).

During the period the Group incorporated in Singapore a 100% owned subsidiary (MOVe Oceans Singapore PTE Limited) whose principal activity is trans-Tasman shipping services. This entity is included within the International segment (refer note 5).

On 1 November 2022 MOVe (NZL) Limited and MOVe (McAuleys) Limited were amalgamated into MOVe Freight Limited.

The registered office of the Company is at 330 Devon Street East, New Plymouth, New Zealand. The interim financial statements have been reviewed, not audited, and were approved for issue by the MOVe Logistics Board of Directors on 22 February 2023.

1.2. BASIS OF PREPARATION

This consolidated interim financial report for the half-year reporting period ended 31 December 2022 has been prepared in accordance with accounting standards IAS 34 Interim Financial Reporting and NZ IAS 34 Interim Financial Reporting. They have also been prepared on a going concern basis in accordance with New Zealand Generally Accepted Accounting Principles (GAAP).

The interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2022 and any public announcements made by MOVe Logistics during the interim reporting period.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies used in the preparation of these financial statements, unless disclosed below are consistent with those used in the previously published audited consolidated financial statements as at and for the year ended 30 June 2022. There were no new standards, interpretations and amendments effective from 1 July 2022 that would have a material impact on the Group.

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in New Zealand dollars (rounded to thousands), which is the functional and the presentation currency of all companies in the Group except MOVe Oceans Singapore PTE Limited, whose functional currency is United States dollars.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

a. Impairment of Goodwill

The Group tests intangible assets for impairment to ensure they are not carried at above their recoverable amounts

- At least annually for goodwill
- Where there is an indication that the assets may be impaired (which is assessed at least each reporting period)

These tests for impairment are performed by assessing the recoverable amount of the cash generating units (CGU's) through probability weighted value in use calculations using cash flow projections based on a five-year period. This is consistent with the method used as at 30 June 2022. During the six months to 31 December 2022 MOVe Freight Limited CGU's goodwill balance of $1.027m was fully impaired as a result of an overall decrease in sales and a loss of a key customer contract ($14m in sales per annum). The impairment charge is recognised in the non operating expenses in the Statement of Profit or Loss and Other Comprehensive Income. No other class of assets have been impaired for this CGU. The Group concluded that there are no indicators of impairment for any of the other CGU's at 31 December 2022.

Management exercises judgement in confirming the carrying value of goodwill, considering a wide range of inputs including the state of the industry and market movements.

The key assumptions for the MOVe Freight Limited value in use calculations are summarised below:

Assumptions	Discount rate post-tax	Discount rate pre-tax	Terminal growth rate	Revenue growth rate year 1*	Revenue growth rate year 2*	Revenue growth rate year 3-5*
30 June 2022						
MOVe Freight Limited	10.3%	13.1%	1.2%	4.6%	3.0%	0.0% - 1.0%
31 December 2022						
MOVe Freight Limited	10.5%	8.5%	2.0%	(1.6%)	4.5%	0.0%

* Probability weighted

The discount rate represents the current market assessment of the risks specific to the CGU considering the time value of money and individual risk of the underlying assets. The discount rate is calculated based on the specific circumstances of the CGU and its operations and is derived from its weighted average cost of capital (WACC). At 31 December 2022 the Group applied a WACC that was assessed by an independent third party. This post-tax discount rate was applied to post-tax cash flows.

The long-term growth rate is based on growth in GDP, market conditions and opportunities for growth within the industry.

The right of use assets have been included in the carrying amount of net operating assets that have been tested for impairment.

Future revenue projections were based on the new base line sale post the loss of contract and incorporating anticipated opportunities for growth in sales in line with Management's focus to fill capacity in the freight network.

4. RECONCILIATION TO GAAP MEASURE

The Group results are prepared in accordance with New Zealand Generally Accepted Accounting Practice ("GAAP") and comply with International Financial Reporting Standards ("IFRS") and the New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS").

These interim financial statements include non-GAAP financial measures that are not prepared in accordance with IFRS. The non-GAAP financial measures used in this presentation are as follows:

- Adjusted EBITDA (a non-GAAP measure) represents profit before income taxes from continuing operations (a GAAP measure), excluding interest income, interest expense, depreciation and amortisation, share of loss of associates, loss on sale of investment in associates, goodwill impairment, restructuring costs and share acquisition costs (non operating expenses) as reported in the financial statements.
- Adjusted EBIT (a non-GAAP measure) represents profit before income taxes from continuing operations (a GAAP measure), excluding interest income, interest expense, share of loss of associates, loss on sale of investment in associates, goodwill impairment, restructuring costs and share acquisition costs (non operating expenses) as reported in the financial statements.

The Group believes that these non-GAAP measures provide useful information to readers to assist in the understanding of the financial performance and position of the Group as they are used internally to evaluate the performance of business units and to establish operational goals. They should not be viewed in isolation, nor considered as a substitute for measures reported in accordance with IFRS. Non-GAAP measures as reported by the Group may not be comparable to similarly titled amounts reported by other companies.

The following is a reconciliation between these non-GAAP measures and net loss after tax from continuing operations:

Reconciliation to GAAP measure	6 months to December 2022 $000	6 months to December 2021 $000
Loss Before Income Tax from continuing operations (GAAP measure)	(3,740)	(181)
Add back:		
Share of loss of associates	66	51
Finance costs	4,808	5,759
Impairment of investment in associates	-	61
Other non operating expenses:		
- Goodwill impairment	1,027	-
- Restructuring costs	(112)	737
- Acquisition related costs	109	10
Depreciation & amortisation	19,758	21,638
Adjusted EBITDA (non-GAAP measure)	**21,916**	**28,075**

4. RECONCILIATION TO GAAP MEASURE (CONTINUED)

Reconciliation to GAAP measure	**6 months to December 2022 $000**	**6 months to December 2021 $000**
Loss Before Income Tax from continuing operations (GAAP Measure)	(3,740)	(181)
Add back:		
Share of loss of associates	66	51
Finance costs	4,808	5,759
Impairment of investment in associates	-	61
Other non operating expenses:		
- Goodwill impairment	1,027	-
- Restructuring costs	(112)	737
- Acquisition related costs	109	10
Adjusted EBIT (non-GAAP measure)	**2,158**	**6,437**

5. SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Decision Maker (CODM). The CODM is responsible for allocating resources and assessing performance of the operating segments.

The Group has made the decision that the eleven operating segments that form part of the reporting to the Executive Director can be aggregated into five reporting segments. Reportable segments have been determined by having regard to the nature of the services, the processes the various business units undertake to service customers, the allocation of capital, the type of customers serviced, and the nature of the distribution channels.

In addition to GAAP measures, the Executive Director also uses non-GAAP measures (EBITDA and EBIT) to assess the commercial performance of the segments. The reportable operating segments have been determined as:

INTERNATIONAL
This segment includes international freight forwarding, shipping and agency services across a broad range of industries.

SPECIALIST
This segment provides transport and lifting solutions for oversized and large items.

In May 2022, the Group announced its intention to undertake a formal sales process to investigate the market interest in the sale/asset disposal of its subsidiary company MOVe Specialist Lifting & Transport Ltd which operates in the Specialist segment. The Specialist company has been classified as held for sale and is a discontinued operation under NZ IFRS 5 - Non-current Assets Held for Sale and Discontinued Operations. Entities are required to measure non-current assets and liabilities that are held for sale at the lower of their carrying amount and fair value less costs to sell.
At the time of reporting there has been no offer accepted for the sale of this Specialist company. The Group is continuing with its disposal plan.

FREIGHT
This segment provides nationwide general freight transport services with regional strength. It is able to transport a wide range of freight types.

CONTRACT LOGISTICS
This segment specialises in contracted solutions providing services for customers including warehouse and supply chain capability and delivery of bulk liquids.

CORPORATE
This segment includes our corporate services function.

Comparative information has been re-presented from that presented in 31 December 2021 interim report due to discontinued operations as noted above.

5. SEGMENT INFORMATION (CONTINUED)

The segment information for the period ended 31 December 2022 is as follows:

	International $000	Specialist $000	Freighting $000	Contract Logistics $000	Corporate $000	Total $000	Discontinued Operations $000	Total Continuing Operations $000
6 months to 31 December 2021								
Total segment revenue	5,217	6,206	98,524	81,985	-	191,932	(6,206)	185,726
Inter-segment revenue	(4)	(72)	(8,020)	(2,440)	-	(10,536)	-	(10,536)
Revenue from external customers	**5,213**	**6,134**	**90,504**	**79,545**	**-**	**181,396**	**(6,206)**	**175,190**
EBITDA	1,482	603	10,258	17,935	(1,600)	28,678	(603)	28,075
Depreciation - tangible assets	67	1,010	2,716	1,937	153	5,883	(1,010)	4,873
Depreciation - ROU assets	117	514	5,289	10,057	80	16,057	(514)	15,543
Depreciation - intangible assets	-	37	3	926	293	1,259	(37)	1,222
EBIT	1,298	(958)	2,250	5,015	(2,126)	5,479	958	6,437
Assets	**18,226**	**25,834**	**134,462**	**156,900**	**16,627**	**352,049**	**(25,834)**	**326,215**
Liabilities	**13,316**	**6,372**	**98,814**	**117,969**	**40,515**	**276,986**	**(6,372)**	**270,614**
Capital expenditure including intangibles	**162**	**24**	**946**	**857**	**187**	**2,176**	**(24)**	**2,152**
6 months to 31 December 2022								
Total segment revenue	6,590	10,345	86,132	82,388	-	185,455	(10,345)	175,110
Inter-segment revenue	(37)	(9)	(5,269)	(1,887)	-	(7,202)	-	(7,202)
Revenue from external customers	**6,553**	**10,336**	**80,863**	**80,501**	**-**	**178,253**	**(10,345)**	**167,908**
EBITDA	1,170	2,741	4,584	17,797	(1,635)	24,657	(2,741)	21,916
Depreciation - tangible assets	268	-	2,329	1,769	110	4,476	-	4,476
Depreciation - ROU assets	98	-	5,154	8,744	80	14,076	-	14,076
Depreciation - intangible assets	1	-	2	918	285	1,206	-	1,206
EBIT	803	2,741	(2,901)	6,366	(2,110)	4,899	(2,741)	2,158
Assets	**34,757**	**25,491**	**120,298**	**139,814**	**3,318**	**323,678**	**(25,491)**	**298,187**
Liabilities	**17,426**	**6,083**	**90,791**	**101,876**	**35,419**	**251,595**	**(6,083)**	**245,512**
Capital expenditure including intangibles	**8,637**	**436**	**2,063**	**2,210**	**76**	**13,422**	**(436)**	**12,986**

Interest income and expense are not allocated to segments, as this type of activity is driven by the central treasury function, which manages the cash position of the Group.

Sales between segments are eliminated on consolidation. The amounts provided to the CODM with respect to segment revenue are measured in a manner consistent with that of the financial statements.

The Group has a diverse range of customers from various industries, with only one customer contributing more than 10% of the Group's revenue. These revenues are attributed to the Contract Logistics segment.

6. PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS

During the six months to 31 December 2022 the continuing operations of the Group acquired property, plant and equipment with a cost of $12,975,214 (31 December 2021: $2,033,728) and intangible assets (excluding goodwill) of $10,244 (31 December 2021: $138,651). The additions to property, plant and equipment largely relate to the purchase of a ship and leasehold improvements for warehouse facilities. These purchases were in accordance with the Group's asset replacement and growth requirements.

The ship is categorised into its own asset class (new to the Group) and is depreciated on a straight-line basis (net of the residual value) over the useful life.

During the period to 31 December 2022 and consistent with the prior reporting period, assets have been transferred out of Property, plant & equipment of $19,637,200 (31 December 2021: nil) and Intangible Assets of $254,826 (31 December 2021: nil) and classified as Held for Sale Assets. Refer to the Annual Financial Statements ended 30 June 2022.

7. EVENTS AFTER THE REPORTING DATE

On 1 February 2023 Craig Evans commenced his role as MOVe Logistics Group Limited Chief Executive Officer. His remuneration package includes a Long term Incentive (LTI) of 1,000,000 Restricted Share Units (RSUs). The RSUs were granted at a value of $0.99 based on a 20-trading day VWAP of MOVe's Ordinary Shares on the NZX up to and including 31 January 2023. The RSUs will vest upon completion of 3 years of employment.

Since 31 December 2022 several extreme weather events, including Cyclone Gabrielle have had an impact on parts of New Zealand. On 14 February 2023 the New Zealand Government declared a national state of emergency that applied to the Northland, Auckland, Tairawhiti, Bay of Plenty, Waikato and Hawkes Bay regions. The Group's operations continue to trade however, the full financial and operational impact is unknown at this stage. Based on the information available at present Management have deemed no material impact on the reported results.

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Independent auditor's review report

To the Shareholders of Move Logistics Group Limited

Report on the interim financial statements

Our conclusion

We have reviewed the interim financial statements of Move Logistics Group Limited (the Company) and its subsidiaries (the Group), which comprise the consolidated interim balance sheet as at 31December 2022, and the consolidated interim statement of profit or loss & other comprehensive income, the consolidated interim statement of changes in equity and the consolidated interim statement of cash flows for the period ended on that date, and significant accounting policies and other explanatory information.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements of the Group do not present fairly, in all material respects, the financial position of the Group as at 31 December 2022, and its financial performance and cash flows for the period then ended, in accordance with International Accounting Standard 34 *Interim Financial Reporting* (IAS 34) and New Zealand Equivalent to International Accounting Standard 34 *Interim Financial Reporting* (NZ IAS 34).

Basis for conclusion

We conducted our review in accordance with the New Zealand Standard on Review Engagements 2410 (Revised) *Review of Financial Statements Performed by the Independent Auditor of the Entity* (NZ SRE 2410 (Revised)). Our responsibilities are further described in the *Auditor's responsibilities for the review of the interim financial statements* section of our report.

We are independent of the Group in accordance with the relevant ethical requirements in New Zealand relating to the audit of the annual financial statements, and we have fulfilled our other ethical responsibilities in accordance with these ethical requirements. Other than in our capacity as auditor we have no relationship with, or interests in, the Group.

Responsibilities of Directors for the interim financial statements

The Directors of the Company are responsible on behalf of the Company for the preparation and fair presentation of these interim financial statements in accordance with IAS 34 and NZ IAS 34 and for such internal control as the Directors determine is necessary to enable the preparation and fair presentation of the interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the interim financial statements

Our responsibility is to express a conclusion on the interim financial statements based on our review. NZ SRE 2410 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the interim financial statements, taken as a whole, are not prepared in all material respects, in accordance with IAS 34 and NZ IAS 34.

A review of interim financial statements in accordance with NZ SRE 2410 (Revised) is a limited assurance engagement. We perform procedures, primarily consisting of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing and International Standards on Auditing (New Zealand) and consequently does not enable us to obtain assurance that we might identify in an audit. Accordingly, we do not express an audit opinion on these interim financial statements

PricewaterhouseCoopers, PwC Centre, 60 Cashel Street, PO Box 13-244, Christchurch 8141 New Zealand
T: 64 3 374 3000, www.pwc.co.nz

pwc

Who we report to

This report is made solely to the Company's Shareholders, as a body. Our review work has been undertaken so that we might state those matters which we are required to state to them in our review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Shareholders, as a body, for our review procedures, for this report, or for the conclusion we have formed.

The engagement partner on the review resulting in this independent auditor's review report is Maxwell (John) Dixon.

For and on behalf of:

PricewaterhouseCoopers

Chartered Accountants
22 February 2023

Christchurch

DIRECTORY

DIRECTORS

Lorraine Witten (Chair)
Appointed 6 December 2017
Appointed Chair 30 September 2021

Danny Chan
Appointed 6 December 2017

Chris Dunphy
Appointed 1 July 2021

Mark Newman
Appointed 27 July 2021

Grant Devonport
Appointed 23 November 2021

Peter Dryden
Resigned 20 October 2022

RISK ASSURANCE & AUDIT COMMITTEE

Grant Devonport (Chair)
Danny Chan
Mark Newman

GOVERNANCE AND REMUNERATION COMMITTEE

Mark Newman (Chair)
Danny Chan
Chris Dunphy
Peter Dryden (resigned 20 October 2022)

REGISTERED OFFICE AND ADDRESS FOR SERVICE

330 Devon Street East
New Plymouth

AUDITORS

PricewaterhouseCoopers
PwC Centre
Level 4, 60 Cashel Street
Christchurch

BANKERS

ANZ Bank New Zealand Limited
23-29 Albert Street
Auckland

SOLICITORS

Duncan Cotterill
Level 2, Chartered Accountants House
50 Custom House Quay
Wellington

SHARE REGISTRAR

Link Market Services Limited
Deloitte Centre
80 Queen St, Auckland

Results announcement

(for Equity Security issuer/Equity and Debt Security issuer)

Results for announcement to the market		
Name of issuer	MOVE Logistics Group Limited	
Reporting Period	6 months to 31 December 2022	
Previous Reporting Period	6 months to 31 December 2021	
Currency	NZD	
	Amount (000s)	**Percentage change**
Revenue from continuing operations	$167,908	(4.16%)
Total Revenue	$167,908	(4.16%)
Net profit/(loss) from continuing operations	($3,386)	(440.89%)
Total net profit/(loss)	($1,453)	(6.21%)
Interim/Final Dividend		
Amount per Quoted Equity Security	$0.00	
Imputed amount per Quoted Equity Security	$0.00	
Record Date	Not Applicable	
Dividend Payment Date	Not Applicable	
	Current period	**Prior comparable period**
Net tangible assets per Quoted Equity Security	$0.45	$0.45
A brief explanation of any of the figures above necessary to enable the figures to be understood	Refer unaudited interim financial statements.	
Authority for this announcement		
Name of person authorised to make this announcement	Lee Banks, CFO	
Contact person for this announcement	Lee Banks	
Contact phone number	06 755 9405	
Contact email address	lee.banks@movelogistics.com	
Date of release through MAP	23 February 2023	

Unaudited financial statements accompany this announcement.