



**Wiseway Group Limited**

ABN 26 624 909 682

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**ASX Announcement**

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## **Trading Update Q1 FY22: 1 July – 30 September 2021**

Wiseway Group Limited (ASX: WWG, “**Wiseway**” or “**the Company**”), announced today its trading update for the three months ended 30 September 2021 (**Q1 FY22**).

### **Highlights**

Revenue (unaudited) grew to \$32.1 million in Q1 FY22 as compared to \$31 million in Q1 FY21 driven primarily by the significant growth in the following segments per comparative period (pcp):

- Imports and distribution or e-commerce which increased 88.9% from \$1.8 million to \$3.4 million pcp.
- Road transportation which increased 66.7% to \$1.5 million in Q1 FY22 from \$0.9 million pcp.
- Perishables which increased 59.5% to \$6.7 million from \$4.2 million pcp.

### **CEO commentary**

Mr Roger Tong, Chief Executive Officer, commented, “Wiseway continued to see steady performance across our key business segments during the first quarter of the financial year 2022. Revenue from imports and distribution or e-commerce increased, supported by our previous investment to set up nationwide bonded warehouses and strengthen our staffing and resources during FY21.

“Our perishables segment driven primarily by seafood, meat and milk exports, saw significant growth due to an increase in volumes during this quarter with almost three million kilograms of freight forwarded.

“During the period, Wiseway renewed a substantial contract with China Marketing Solutions Pty Ltd (CMS), one of the largest marketers and exporters in the Australian horticulture industry with plans in motion to become the largest stonefruit exporter in the Southern Hemisphere.

“The Company is well positioned to take advantage of the expected growth in export opportunities during the peak Australian produce season, from October to January. This is underpinned by our previous investments to establish cool rooms and complete the fumigation of our facilities to support demand from large Australian perishables exporters.

“We also saw a solid increase in demand for a number of our services with significant growth achieved in the road transportation segment, which further cements Wiseway’s role as the leading global airlines’ trusted national trucking service partner.

“Air freight dry cargo volume declined due to the ongoing impact of COVID-19 which limited international flights.

Meanwhile revenue from our newly acquired Singapore business and US operations started to flow.”

This steady result for Wiseway was achieved against a very challenging international supply chain backdrop. There continues to be a confluence of events that are putting pressure on the logistics and transportation industry with the ongoing impacts of the Delta variant, production challenges, a higher than expected surge in consumer demand, labour shortages and a much slower than average traffic turnaround at key international ports.

### Business update

In August 2021, Wiseway established a regional hub in Singapore with the completion of its first cross-border acquisition of TAF E-Logistics (Asia) Pte Ltd (TAF), a Singapore-based airfreight company that has been serving the Southeast Asia market for the last 30 years. This strategic acquisition is expected to deliver supply chain efficiencies and revenue synergies across the Company's global network and support Wiseway's expansion of services across Southeast Asia's fastest growing economies including Indonesia, Thailand, Malaysia, and Vietnam.

Mr Brandon Teo, the CEO of TAF, joined the Wiseway Board as a Non-Executive Director to support the Company's global expansion strategy, especially in Southeast Asia.

Mr Rob McNutt, elected in August 2021 as an independent Non-Executive Director, has also been appointed as Chair of Audit and Risk Committee. He will provide guidance on the development of a finance infrastructure that is fit for purpose to support the Company's future growth. Mr McNutt brings a wealth of experience and expertise to this role, having held senior financial leadership positions within major United States listed corporations.

### Outlook

Despite the continued uncertainty in the operating environment, the Company remains cautiously optimistic for the remainder of this financial year. Growth in the freight and logistics services sector is expected to continue, as the pressures on international supply chains begin to ease in the future.

The Company's Board and Management will continue to manage and adapt to operating environment challenges and maximise outcomes from business operations. We also continue to support employees, customers and the broader community during these ongoing uncertain times. Wiseway will update the market as and when necessary.

**ENDS.**

### Appendix - WWG SALES FOR Q1 FY22 (unaudited)

Revenue (\$ million)	Q1 FY22	Q1FY21	Change	Change %
Air freight	17.9	22.2	-4.3	(19.4)%
Sea freight	1.5	1.3	0.2	15.4%
Perishables	6.7	4.2	2.5	59.5%
Airtruck road transportation	1.5	0.9	0.6	66.7%
Airnex cargo sales agent	0.1	0.3	-0.2	N.m.
Imports and distribution	3.4	1.8	1.6	88.9%
New Zealand	0.3	0.3	0.0	0.0%
China	0.2	0.01	0.2	N.m.
USA	0.01	0.0	0.0	N.m.
Singapore	0.5	0.0	0.5	N.m.
<b>Total revenue</b>	<b>32.1</b>	<b>31.0</b>	<b>1.1</b>	<b>3.5%</b>

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

WiseWay (ASX: WVG) is a leading provider of integrated logistics solutions, with a global network of strategically located warehouses and facilities and a large modern fleet of trucks and delivery vehicles.

Established in 2005 to serve the growing Australia-Asia Pacific trade industry, WiseWay has grown to become one of the top three outbound air freight logistics providers in Australia. With multiple strategically located operation hubs in Australia, the US, and the Asia Pacific, the Company provides its large base of domestic and international customers with specialist cross-border logistics services including air freight, sea freight, import, domestic transportation, warehousing, and customs clearance.

For more information, please visit [www.wiseway.com.au](http://www.wiseway.com.au)