

## MOVE LOGISTICS GROUP 1H24 INTERIM RESULTS

Transport and logistics group, MOVE Logistics Group Limited (NZX/ASX: MOV), has today reported its unaudited interim results for the six months ended 31 December 2023. The result was above the guidance provided in December 2023 (1H24 Normalised EBITDA \$11.5m - \$12.5m), with the company reporting Normalised EBITDA of \$13.2m.

As previously advised, economic and sector headwinds continue to impact, with inflationary cost pressures and subdued customer activity, particularly for Freight and Warehousing. The retail and construction markets have been particularly hard hit, both of which are important customer sectors for MOVE. MOVE's diversity across customer and business sectors is an advantage in this environment, ensuring limited exposure to any one sector.

MOVE is continuing to execute on Project Blueprint, a 12 – 18 month dual pathway programme of short and long term initiatives to reshape and strengthen the business, and drive growth. The first three months have now been completed, with the focus on embedding change, improving productivity, driving revenue and delivering customer service excellence. As part of this, a comprehensive cost out programme has been accelerated to drive efficiency and operating excellence. Most benefits from Project Blueprint initiatives are expected to be seen from 2H24 onwards.

### Financial Snapshot

The six month financial performance reflects the first three months of Project Blueprint, softer customer demand as a result of economic headwinds, the ongoing re-set of the Freight business, and investment into future growth opportunities including Oceans and technology. In addition, some project work undertaken by the Specialist division was delayed and pushed into future periods. These projects remain ongoing. The company is continuing to transition to a capital light model, providing additional support for the balance sheet and increasing business resilience.

- Total income \$159.4m
- EBITDA \$12.3m, with Normalised EBITDA \$13.2m
- Reported NLAT \$(10.7)m with Normalised NLAT of \$(9.6)m
- Net debt reduced to \$16.9m
- No dividend has been declared

### Management Comment

CEO of MOVE, Craig Evans, said: "Customer service excellence remains at the fore as we continue to work in partnership with a diverse range of businesses from across New Zealand, providing quality supply chain and logistics services. We continue to tightly manage all areas within our control, and are maximising this time to progress Project Blueprint, and particularly, the reset of our Freight business which has taken longer than originally anticipated. We have identified productivity and growth opportunities and are moving at pace to take advantage of these.

"Investment into our nationwide sales resource is driving increasing sales activity and momentum, and MOVE's new Oceans shipping service is also opening up new opportunities for our business. We have continued to refine the new Transport Management IT System and this is expected to go live

across our network in 2H24. The leadership team has been strengthened with new leaders driving commercial excellence and momentum.

“We continue to strengthen our end to end supply chain offer, linking our national freight network with new services and transport solutions including trans-Tasman shipping and increasing use of rail which offers lower cost and carbon emissions than road.”

### **Stronger 2H24 Performance Expected**

Performance in the second half year is expected to improve from 1H24, as MOVE benefits from increased new business leads and participation in RFP processes for MOVE’s Freight and Logistics businesses, and as Project Blueprint initiatives start to deliver. The focus remains on cost efficiencies, working capital management and customer value proposition.

Craig Evans said: “In the current environment, businesses are seeking cost effective, quality providers and MOVE is well positioned with the expertise and competitively priced solutions to meet their needs. The multiple initiatives underway will position MOVE to capture the increased customer activity levels expected when the economy recovers.”

ENDS

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### **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.