



MAINFREIGHT LIMITED

Mainfreight Lane | off Saleyards Road | Otahuhu 1062 | New Zealand

Tel +64 9 259 5500 | Fax +64 9 270 7400

PO Box 14-038 | Panmure | Auckland 1741 | New Zealand

NZX MARKET RELEASE

1 September 2021

MAINFREIGHT LIMITED – TRADING UPDATE

Mainfreight Limited (NZX: MFT) provides this update in the interests of keeping the market informed of trading while New Zealand and Australia move through stronger Covid-19 lockdowns.

Financial Trading Update

Based on 1 April 2021 to 31 July 2021 monthly financial statements, plus weekly financials for August 2021, in total 22 weeks' of trading:

Segmental by Region		This Year	Last Year	Var	This Year	Last Year	Var
		Revenue*	Revenue*		PBT	PBT	
		\$000	\$000	%	\$000	\$000	%
New Zealand	NZ\$	479,716	362,597	32%	37,303	27,283	37%
Australia	AU\$	466,479	363,208	28%	34,672	24,512	41%
Americas	US\$	385,250	222,338	73%	27,014	5,911	357%
Europe	EU€	262,023	197,805	32%	10,359	5,552	87%
Asia	US\$	187,911	67,784	177%	8,895	3,255	173%
Total Mainfreight Group	NZ\$	2,224,564	1,555,523	43%	142,278	77,709	83%

Segmental by Product		This Year	Last Year	Var	This Year	Last Year	Var
		Revenue*	Revenue*		PBT	PBT	
		\$000	\$000	%	\$000	\$000	%
Transport	NZ\$	887,633	728,239	22%	58,992	43,286	36%
Warehousing	NZ\$	225,325	181,272	24%	18,017	12,405	45%
Air & Ocean	NZ\$	1,111,606	646,013	72%	65,268	22,018	196%
Total Mainfreight Group	NZ\$	2,224,564	1,555,523	43%	142,278	77,709	83%

* Includes Inter-company revenue



Commentary

We continue to be satisfied with Group trading results to date as we approach our half year of 30 September 2021. Trading across all regions continues ahead of the prior year. While congestion in global supply chains remains a feature in particular for our Air & Ocean division, our people continue to focus on solutions to provide space for our customers.

Covid-19 lockdown restrictions currently in place in New Zealand have seen a lower than expected decrease in revenues, while Australian trading has continued unabated.

Since the New Zealand lockdown restrictions, group weekly profitability remains ahead of the prior year.

Regional Overview

New Zealand

Lockdown Level 4 18th August 2021 | Essential services only

Post-lockdown, domestic **Transport** trading has seen a decrease in revenue of approximately 30%. This reduction is less than expected.

Activity in our **Warehousing** business has been consistent with prior weeks as the arrival of import containers continues to restock customers' inventory.

Our **Air & Ocean** division has seen ongoing demand for our services, with no effect on trading as a result of lockdown restrictions.

The move to Alert Level 3 outside of Auckland/Northland regions will bring increased activity for all three divisions, particularly Transport.



Australia

Strong lockdown New South Wales; Partial and varying across other States | General freight volumes moving

Trading has continued to be strong in all three divisions of our business. These results are satisfactory and trading levels are expected to continue to be strong into the Christmas period.

The Americas

Partial soft lockdowns | Freight delivery unimpeded

We continue to see good financial improvement via improved trading conditions across all three divisions. These improvements are led by our **Air & Ocean** business, although port and supply chain congestion remains an issue across the Americas.

It is expected trading will further improve through the upcoming peak season.

Europe

Partial/soft lockdowns; borders remain open | Freight delivery unimpeded

Financial performance for this region has remained consistent with previous updates, with only the expected summer holiday reductions having an impact in our **Transport** division.

In line with the other regions of our network, **Air & Ocean** activity continues to strengthen.

Warehousing utilisation is improving as customers increase their stock holdings in preparation for peak season.



Asia

Partial and full lockdown restrictions of varying degrees across the region |

Freight continues to move unimpeded

Our **Air & Ocean** business across Asia continues to strengthen as demand increases. Port congestion remains an issue, affecting shipping schedules.

Vietnam has seen stronger lockdown restrictions reducing shipping volumes from the region, while our other Southeast Asian branches continue to see increased activity.

The entire China/Southeast Asia region is expecting increased volumes over the next three months.

Cash Flows

Cash flows remain at acceptable levels. We retain our strong focus on cash collection.

Additional Reporting

Our 2022 half year results to 30 September 2021 will be released to the market on Thursday, 11 November 2021.

Ends

Don Braid

Group Managing Director

Mainfreight Limited
2 Railway Lane, Otahuhu, Auckland 1062
PO Box 14038, Panmure, Auckland 1741
Email: don@mainfreight.com