Wiseway Group (ASX: WWG)
FY23 Investor Presentation

31 August 2023

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Contents

Business overview

Our core business segments

1 Air Freight Exports

- Serving e-commerce platforms, suppliers, and parcel consolidators.
- Shipping infant milk formula, honey, wine, vitamins, and health and skin-care products.

2 Sea Freight Exports

- General food commodities.
- Australian produce.
- Food stuffs.
- Wine.

3 Perishables

- Fresh produce.
- Seasonal fruit.
- Seafood.
- Meat.
- Fresh milk and dairy.

4 Imports

- General cargo imports clearance and delivery.
- E-commerce parcel imports and distribution.

5 Road & Warehousing

- Interstate and road transport business.
- Servicing wholesalers, manufacturers and airlines.
- 3PL warehousing (>50,000 SQM).

6 Overseas

- China (Guangzhou and Shanghai)
- United States (Los Angeles)
- New Zealand (Auckland)
- Singapore

Overview of Wiseway

Top 3
freight forwarder
(in terms of outbound air freight volumes)

200+
employees

100+
Trucks and trailers

4
depots with cool room capabilities
(Sydney, Melbourne, NZ, Perth)

12
warehouses
(incl. RACA, Customs Bonded, Quarantine approved depots)

11
cities across
5
countries

Shipping to
100+
destinations

Highlights

FY23 results takeaways

1. Continued turnaround in profitability in the last 6 months (+$3.2m of EBITDA from 1H23 vs 2H23)
2. Wiseway achieved the strongest second-half profitability since Listing on the ASX in 2018
3. Soft revenue growth as freight rates normalise; limited impact to profitability expected
4. Strategy is delivering results, with strong growth in Perishables, Sea Freight and Imports
5. Core Australian division remains strong with EBITDA of $5.5 million
6. Overseas plans are on-track with a strong improvement in profitability

Financial highlights

$106.6 million
Group Revenue

$3.7 million
EBITDA

$6.2 million
Underlying EBITDA[1]

+$4.1 million NPAT improvement
1H23 vs 2H23

12 cents
Net Tangible Assets per Security

$9.1 million
Cash and Cash Equivalents

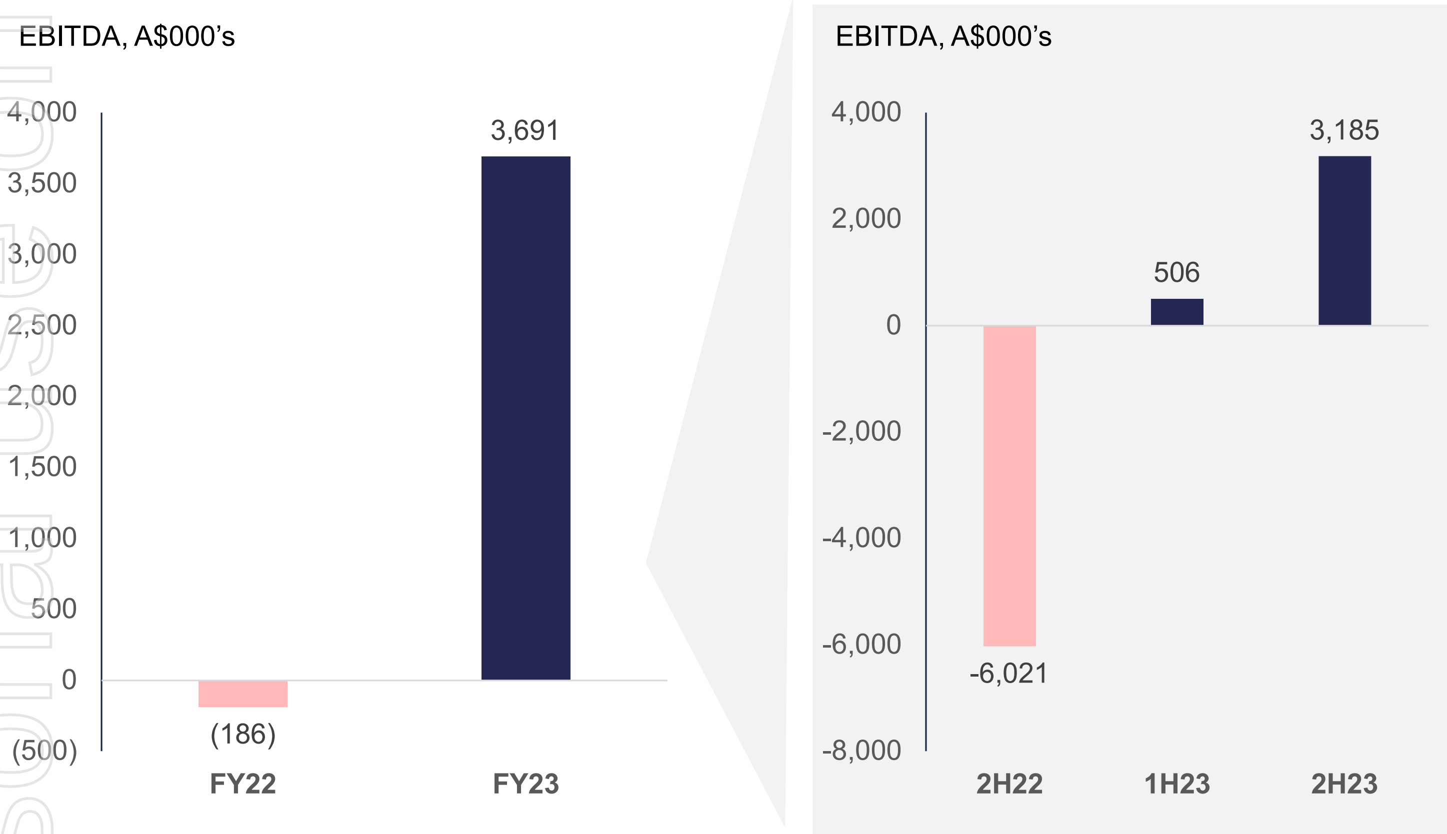
[1] Underlying EBITDA is a non-IFRS measure that the Group uses to assess performance as it excludes one-off and non-operational items.

Operational Highlights

- Reduced operating costs due to process efficiencies and cost streamlining initiatives
- Initiatives to enhance capabilities in Perishables, eCommerce Imports and Sea Freight on-track
- Investments have made in building out Wiseway's marketing and business development capabilities
- Global network has started to yield results, with clients using Wiseway in multiple geographies
- Expanded into more value-added services for customers, including IT integrations, client tracking portals, and administration handling

The Group achieved a recovery in profitability in FY23

EBITDA of $3.7 million, a reversal compared to a loss of $0.2 million in FY22

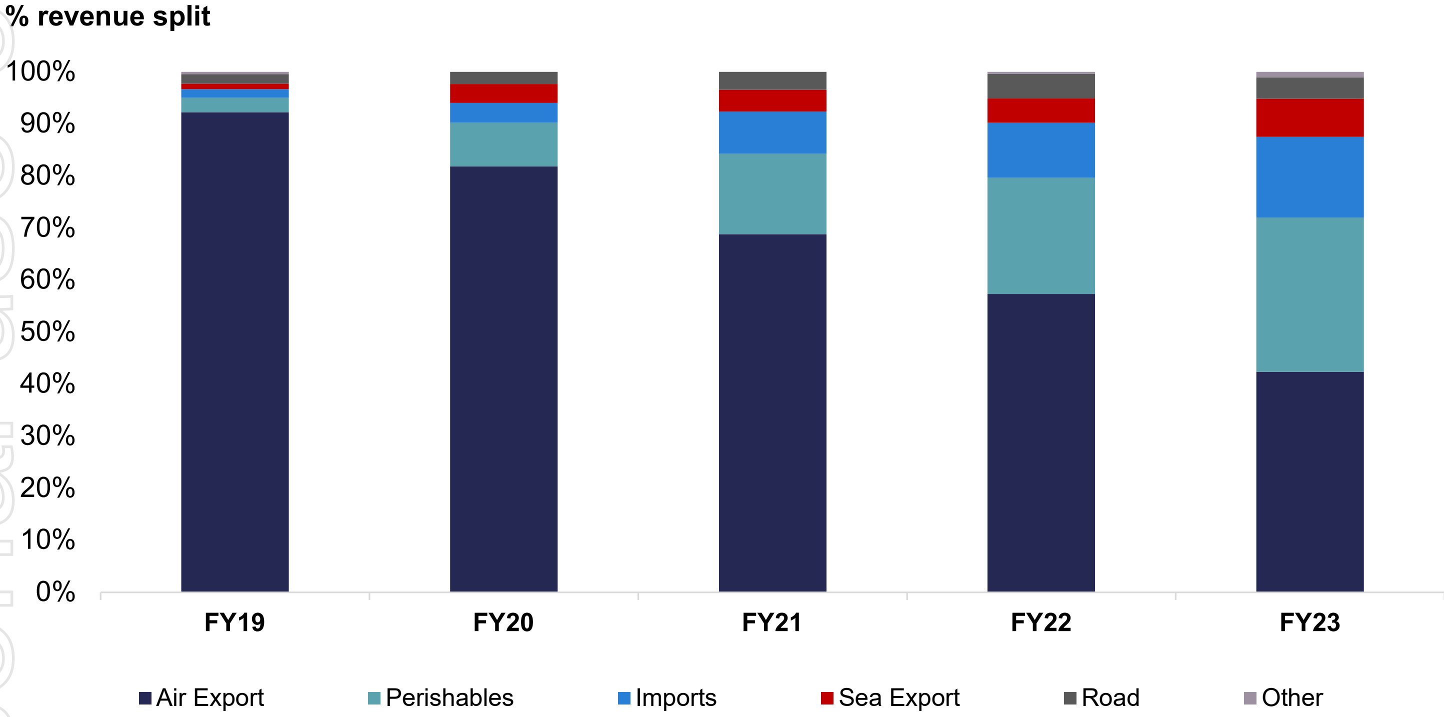


Key drivers of improvement

- **Operational** and **process** improvements
- **Cost initiatives,** yielding results
- Improved **revenue mix** to higher margin areas
- **Maturing overseas** divisions

WWG continues to evolve into an integrated logistics service provider

Group continues to diversify revenue into Perishables, Imports and Sea Freight Export



Key drivers

- Investments in **Perishables** operational and go-to-market capabilities driving growth
- Asia **inbound eCommerce** a significant driver of **imports** growth; expected to continue
- Some migration of volume from Air Export to **Sea Export**; continued market share gain

Wiseway continues to drive expansion in overseas divisions

Overseas divisions now account for 13% of group revenue

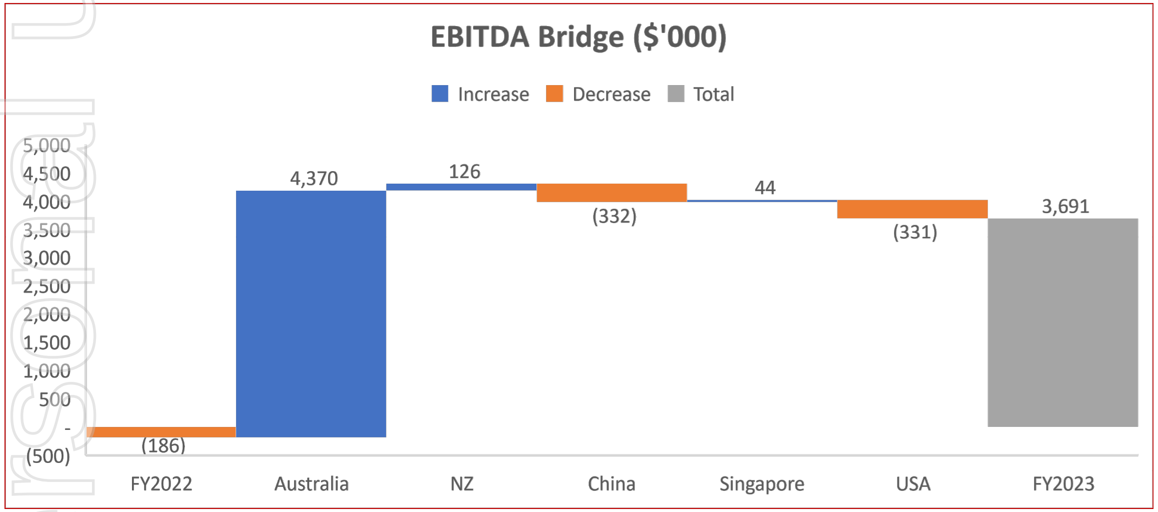
Key drivers

- USA, New Zealand, Singapore and China continue to grow to a **larger proportion of Group revenue**
- Wiseway branding and **value proposition overseas starting to gain traction**
- Overseas divisions are **closer to achieving profitability** in the future

Financial overview

Income statement reflects return to profitability

	FY2023	FY2022	Change %
Revenue	106,552	130,668	-18.5%
Direct Cost	(72,558)	(102,781)	-29.4%
Gross profit	**33,994**	**27,887**	**21.9%**
Gross margins	**32%**	**21%**	**49.5%**
Operating expenses	(30,303)	(28,073)	7.9%
EBITDA	**3,691**	**(186)**	**2084.4%**
EBITDA margin	**3%**	**0%**	**2533.5%**
Loss after tax	**(3,160)**	**(8,096)**	**61.0%**
Net Tangible Assets (cents)	**12**	**13**	**7.7%**



Gross profit up 22% ($6.1m) reflecting effects of better client/service mix and direct cost control initiatives

Operating cost excluding spend on air operating certificate cost is otherwise similar to FY2022

EBITDA strong turnaround from a loss to a $3.7m profit driven by strong recovery in the Australian business.

Whilst finishing with a loss of $3.2m, this was largely arising from the first half of the financial year (reported loss of $3.7m) where China covid restrictions were still in place.

Overall, the Australia business has rebounded strongly with China reopening with positive signs also seen in New Zealand and Singapore.

Balance Sheet remains healthy

Balance Sheet	FY2023	FY2022
Cash and cash equivalents	9,072	6,933
Trade and other receivables	9,084	9,507
Other current assets	2,253	4,644
Total current assets	**20,409**	**21,084**
Right of Use Assets	18,925	15,041
Fixed & non-current assets	23,006	25,506
Total assets	**62,340**	**61,631**
Trade and other payables	6,753	7,659
Loans and debt financing	3,176	2,760
Lease and others	3,882	4,655
Total current liabilities	**13,811**	**15,074**
Loans and debt financing	12,128	10,657
Lease and other non-current liabilities	17,778	14,420
Total liabilities	**43,717**	**40,151**
Net assets	**18,623**	**21,480**

Financial Debt[1]	15,304	13,417
Lease Liability[1]	20,340	16,317
Debt/Equity[1]	76%	59%
Debt/Total Assets[1]	35%	29%

[1] Excludes AASB 16 finance lease liabilities and ROU assets

Strong cash position providing liquidity and opportunity to invest in growth.

Improved trade receivables position with notable reduction in provisioning.

Focus on improving long term capital structure of Group through better asset utilization as well as debt reduction.

Group has $1.5m of deferred tax assets not recognized in the balance sheet available for use when it generates available taxable profits in the future.

Outlook and priorities

Wiseway priorities for FY24

Ambition	A leading **logistics partner** in the **Asia Pacific** region, providing **excellent services** and **superior customer value** to our partners					
Division priorities	1 **Air Freight Export** **Maintain** Air market share, and **partner** on new verticals	2 **Sea Freight Export** **Invest** to grow Sea, including transport and BD capabilities	3 **Perishables** **Win** Perishables share via superior service and airline capabilities	4 **Imports** **Capture** inbound eCommerce trend, leading in process efficiency	5 **Road Freight & Warehouse** **Optimise** Road & Warehouse, to be a profitable value-added service	6 **Overseas** **Build** global network and value proposition
Enablers	**Cost and process efficiency** (overseas back-office, process automation, KPIs)	**Expand digital capabilities** ('turnkey' integrations, self-serve portal, E2E tracing)	**World-class Team,** delivering superior customer service	**Compliance and Safety,** mindset in all operations	**M&A opportunities,** focused on the United States	

Outlook

- Expecting **continued profitability** in the next 6 months, as Wiseway enters the peak period for freight from September onwards
- Revenue growth expected be moderated due to decreasing international freight rates, but **continued volumes growth expected**
- **Margins expected to be can be largely maintained**, despite decreasing freight rate
- **Imports expected to be a key source of growth** over the next year, as it benefits from cross-border eCommerce tailwind
- The Group's **overseas divisions** will be a continued source of expansion, representing a key priority of the business
- **Further upside to Wiseway's performance** if there is a rebound in China's economy, and trade bans and tariffs for key commodities such as Lobster and Wine are lifted in the next year

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