# MAINFREIGHT LIMITED
# **FULL YEAR RESULTS**

31.03.25

# Result Summary

- Revenue $5.24 billion up 11%
- PBT $383.6 million down 3%
- Net Profit $274.3 million up 31%
  - Prior year saw non-cash tax accounting adjustment of $69 million
- People 11,130 up 486
- Branches 337
- Countries 27

Net Capital Expenditure $234.5 million

Discretionary bonus of $30.5 million payable in Australia, Asia and Europe only

# Full Year Overview

**Satisfactory revenue growth**

**Record result** from our Australian businesses – now **largest revenue** and **profit performer**

**Profit decline** in New Zealand, Asia and Americas

**Margin performance impacted** by higher property overheads / competitive market conditions

**Eight new facilities** completed

- 3 x Transport sites in Auckland
- 2 x Warehouses in Auckland
- 1 x Airfreight facility Brisbane
- 1 x new cross-dock in Chicago, Illinois
- 1 x new cross-dock in Dallas, Texas

*"Expected a better profit performance"*

# Dividend

## Directors have approved

a **final dividend of** 87.0 cents per share

**Full dividend for year =** 172.0 cents per share

*Books close 11 July 2025*

*Payment on 18 July 2025*

*“Continue to be comfortable with current level of dividend”*

# Capital Management

**Operating Cash Flows** remain satisfactory $584 million v $505 million last year

**Net Capex** $234 million - $111 million on property

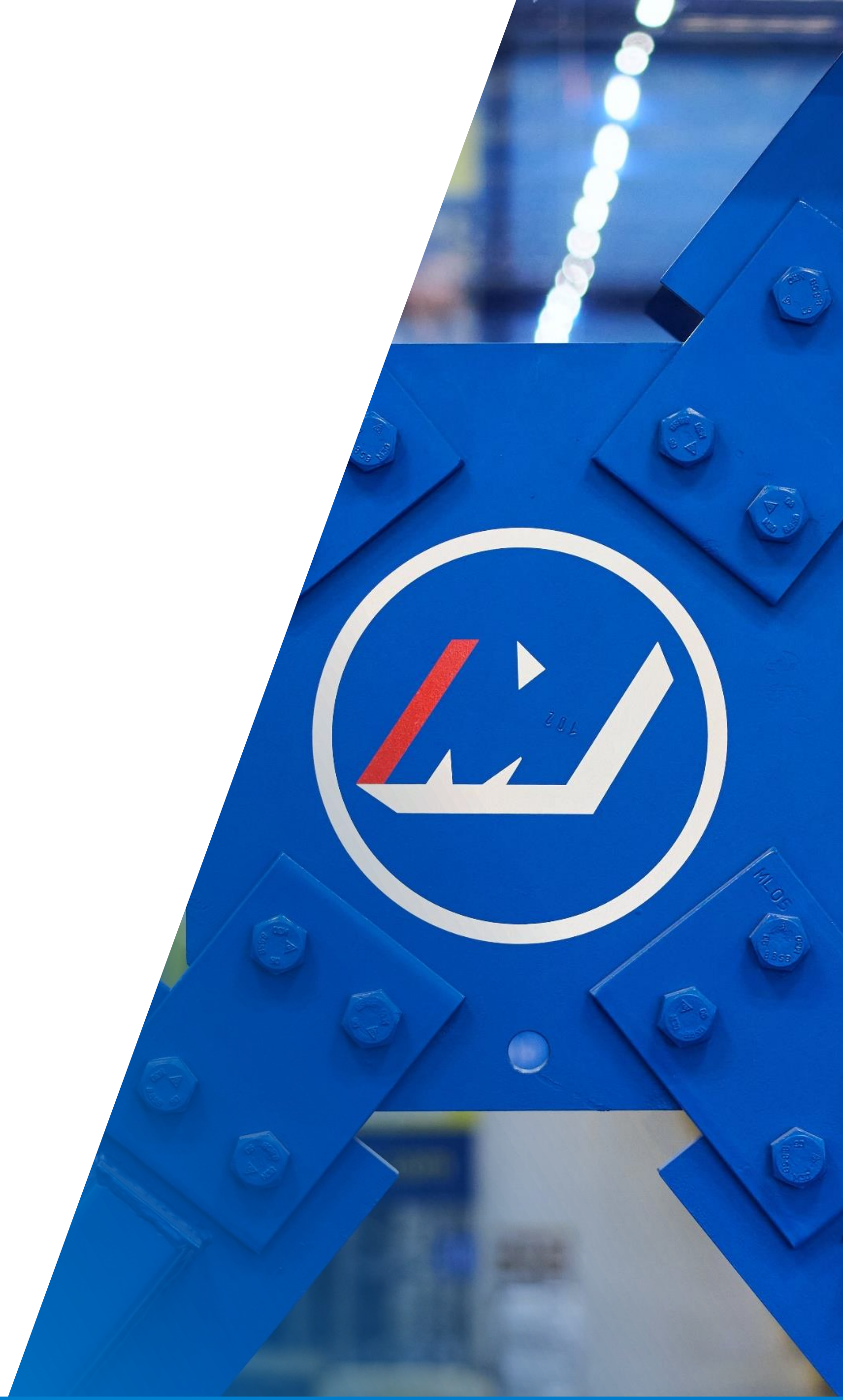
Increased on half year estimate - timing

**Net Funds** at $14 million

“cash at hand”

**Bank debt** of $125 million, from a total available facility of $504 million

**Debt reduction** of $23 million



# Future Capital Expenditure Update: F26 -27

| NZ$ MILLION | F26 |
|---|---|
| Planned Capital Expenditure | $202.9 |
| ▪ Property | $ 98.2 |
| ▪ Fit-out costs | $ 44.7 |
| ▪ Non-property capex | $ 60.0 |

| NZ$ MILLION | F27 |
|---|---|
| Planned Capital Expenditure | $247.2 |
| ▪ Property | $123.6 |
| ▪ Fit-out costs | $ 63.5 |
| ▪ Non-property capex | $ 60.0 |

| Property and Fit-out costs F26-F27 | |
|---|---|
| New Zealand | NZ$ 73.4 million |
| Australia | AU$141.3 million |
| Americas | US$ 28.8 million |
| Europe | EU$ 25.6 million |
| Asia | US$ 1.0 million |
| **Total in NZ$** | **NZ$330.0 million** |

*"Cautionary approach to property capex for 2026 and 2027"*

# Beach Road (owned)

- 22,000 sq metres
- 24,000 pallet capacity – 50% utilised currently
- Dangerous Goods Warehouse
- Built to highest standard practicable for a major hazardous facility
- Networks alongside Chemcouriers for distribution

# Our 3 Core Products (NZ$) FY 2025

## TRANSPORT

| | | | | | |
|---|---|---|---|---|---|
| Revenue | $2,262.86 million | ↑ 3.4% | PBT | $169.79 million | ↓ 1.6% |

*Total tonnes increased 4%*
*Consignment counts increased in all regions other than New Zealand*
*Australia performance increased in volume and consignments – reflecting market share increases*

## WAREHOUSING

| | | | | | |
|---|---|---|---|---|---|
| Revenue | $865.36 million | ↑ 10.3% | PBT | $63.59 million | ↑ 6.6% |

*Total orders picked increased 2%*
*European activity decline in Belgium and lesser extent Netherlands*
*Poorer than expected performance from Europe and Asia*
*Asian Warehouse strategy under review*

## AIR & OCEAN

| | | | | | |
|---|---|---|---|---|---|
| Revenue | $2,108.21 million | ↑ 20.9% | PBT | $150.20 million | ↓ 8.0% |

*Airfreight kilos increased 8%*
*Continuing to increase our airfreight capability*
*Tariff impacts to year end negligible*
*Large increase in bookings/rates June onwards*
*Margin management a key focus*

*Sea freight TEUs increased 6%*
*Sea freight volumes increased across all regions*
*Reduction of booking and shipments April/May*
*Customs clearances now exceed 250,000 per annum*

# Full Year 2025 Analysis

| NZ$000 | | Revenue* | Var % | | Profit before Tax | Var % | |
|---|---|---|---|---|---|---|---|
| New Zealand | NZ$ | 1,158,860 | 3.1% | ↑ | 134,518 | 9.5% | ↓ |
| Australia | AU$ | 1,507,349 | 16.5% | ↑ | 137,447 | 7.0% | ↑ |
| Americas | US$ | 665,769 | 4.2% | ↑ | 15,219 | 30.0% | ↓ |
| Europe | EU€ | 602,794 | 8.2% | ↑ | 30,969 | 11.0% | ↑ |
| Asia | US$ | 126,241 | 30.8% | ↑ | 9,813 | 29.4% | ↓ |
| Group | NZ$ | 5,236,437 | 11.0% | ↑ | 383,578 | 3.0% | ↓ |

*Inter-company revenue excluded

New Zealand – Margin impact and new Auckland property cost increases

Americas – Transport and CaroTrans poor performance

Asia – Volume growth versus poorer margin performances

# New Zealand

## TRANSPORT

- Significant down trading of many customers
- Continue to improve market share offsetting some down trade
- Rail supply issues necessitated more road units North Island to South Island with resulting freight imbalance impacting margins
- Three new cross-dock investments in Auckland to improve long term capability – Daily Freight (Owens) / Mainfreight 2 Home / Container freight station (rail served)
- New sites late 2025 in Auckland for Daily Freight and Hastings/Napier, Whanganui opens July

## WAREHOUSING

- Pleasing performance across most sites
  - Utilisation levels at 91%
- Available capacity post year end – specialised Hazardous site and Mainfreight 2 Home appliance warehouse
- Construction underway on new leased site for Christchurch – Food/Beverage with chilled capacity

## AIR & OCEAN

- Continue to improve market share with import volumes improving. Export volumes less than prior year
- Margins less than satisfactory as a consequence of competitive tensions/customer renewals and lower ocean freight rates
- Tariff impacts minimal on freight volume expectations

## OUTLOOK

- Expect a stronger second half performance FY26
- Cook Strait ferry constraints to be offset by alternative services

*"Facility improvements providing long term capacity / short term pain"*

# Australia

## TRANSPORT

- Continuing to grow market share across express LTL distribution/wharf cartage and FTL opportunities
- Regional branch profitability improving providing confidence to continue regional expansion
- Construction has commenced for Brisbane and Townsville cross-docks

## WAREHOUSING

- Improving profit performance across most sites – ROR improvements pleasing
- Automation at Moorebank beginning to improve warehouse efficiencies
- Overflow warehouses exited by November 2025, property cost reduction of $5.5 million per annum/$2.6 million April-Nov 2025 to be incurred

## AIR & OCEAN

- Specialist project business has contributed well to this result
- Pleasing improvements in sea freight volumes
- Improving perishable airfreight growth across Melbourne, Sydney and Brisbane
  - New Brisbane airfreight facility now operational

## OUTLOOK

- Expect a continuation of ongoing sales and profitability improvements across all divisions

*“Our Australian business proves what is possible”*


# Americas

## TRANSPORT

- Gross margins impacted by poorer than expected linehaul utilisation and extended delivery areas
- Cross-docks in Chicago and Dallas fully operational – added property costs – additional sites on hold until profitability improvements are found

## WAREHOUSING

- All sites excluding New Jersey well utilised
  - New Jersey site beverage focused (extended site to 280,000 sqft)
- Toronto oversubscribed – new and larger site to replace current property
- Sales focus on increasing B2B volumes in all warehouses

## AIR & OCEAN

- Continuing to find growth and improving profitability
- April/May ocean freight bookings below expectations due to tariff implications
- Strong bookings and ocean freight rate increases June onwards
- Canadian and Mexican development potential
- CaroTrans contributions disappointing
  - Agency changes to improve profitability and growth – South America/UK
  - Software change fully implemented

## OUTLOOK

- Acceptable Transport profitability to take time
- Air & Ocean growth and profitability contributions to further increase

*"Transport growth and profit improvement our core focus"*


# Europe

**TRANSPORT**

- Volume improvement through second half of the year
- Performance across France, Poland and Romania continuing to disappoint
- Network intensification in Netherlands yet to fully realise benefits

**WAREHOUSING**

- Less activity in Belgium and core Netherlands sites
- UK Warehousing development has assisted a small UK Transport division to start
- Development of warehousing capability in Germany/Poland being explored alongside increased customer inquiry
- Increased Romanian warehouse capacity providing growth opportunities

**AIR & OCEAN**

- Pleasing improvement and growth across most country locations now totaling 18 branches in 11 countries
- Seeing increased demand for direct Canadian services from Europe
- Tariff impacts for Trans Atlantic tonnage yet to be defined

**OUTLOOK**

- Expect Warehousing profit improvements with new customer gains
- Stronger Transport focus and development to continue for France, Poland and Romania
- Air & Ocean improvements expected to continue, Germany in particular

*"Expectations to transition from Netherlands to a broader and better European contribution"*


# Asia

- Stronger freight volume growth particularly Asian controlled sales
    - Poorer than expected margin and profitability performance
- Higher expectations and increased inquiry for Southeast Asia and India trade as a consequence of tariff controversy
- Diversifying trade lane development to offset TransPacific reliance
- Warehousing profitability and performance is disappointing and under review

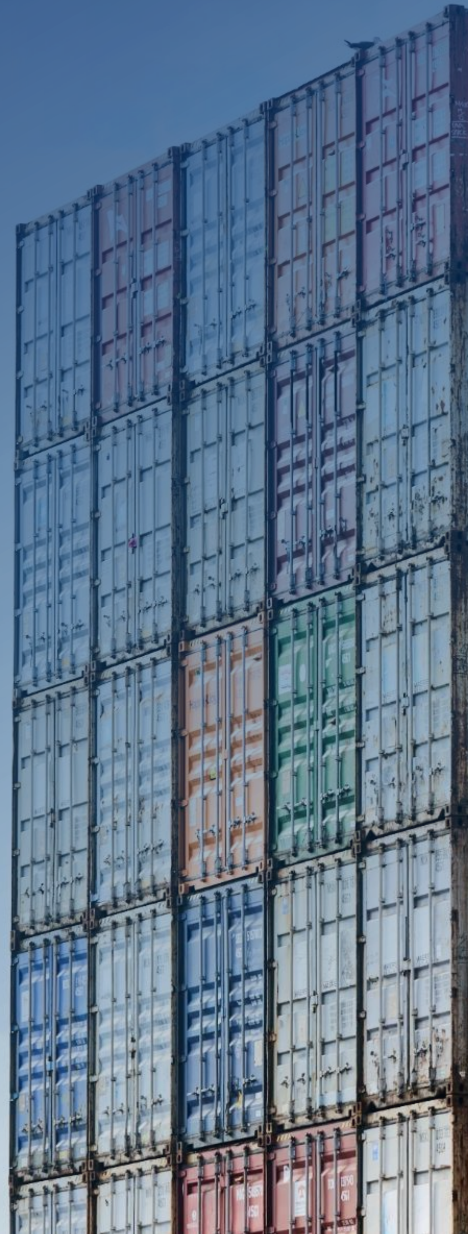
**OUTLOOK**

- Short term improvement expected as TransPacific volumes and rate increases assist

*"Air & Ocean freight our core competency"*

# Outlook

- Trading April and May disappointing
    - Short trading weeks
    - US tariff implications
- Supply chain customer developments improving
    - Top 500 utilising all three divisions increased from 37% to 39%
    - Sales gains continue to be satisfactory
- Overhead and labour cost management focus
- Cautious capital expenditure program for next two years
- Network development across all regions relevant to growth and customer expectations
- Expectations of a stronger second half performance



# To Close

**Annual Meeting of Shareholders**

- 30 July 2025

**F26 – 6 months ended 30 September 2025**

- 12 November 2025