



Results announcement

(for Equity Security issuer/Equity and Debt Security issuer)

Results for announcement to the market		
Name of Issuer	Mainfreight Limited	
Reporting Period	12 months to 31 March 2022	
Previous Reporting Period	12 months to 31 March 2021	
Currency	NZD	
	Amount (000s)	Percentage Change
Revenue from Continuing Operations	\$5,218,259	47.2%
Total Revenue	\$5,218,259	47.2%
Net Profit/(Loss) from Continuing Operations	\$355,397	88.9%
Total Net Profit/(Loss)	\$355,397	88.9%
Interim/Final Dividend		
Amount per Quoted Equity Security	\$0.87000000	
Imputed Amount per Quoted Equity Security	\$0.15352941	
Record Date	15/07/2022	
Dividend Payment Date	22/07/2022	
	Current Period	Prior Comparable Period
Net tangible assets per Quoted Equity Security	\$11.4616	\$8.2706
A brief explanation of any of the figures above necessary to enable the figures to be understood		
Authority for this Announcement		
Name of person authorised to make this announcement	Tim Williams, Chief Financial Officer	
Contact person for this announcement	Tim Williams	
Contact phone number	+64 9 259 5510	
Contact email address	tim@mainfreight.com	
Date of release through MAP	26/05/2022	

Unaudited financial statements accompany this announcement.

Preliminary full year report on consolidated results (including the results for the previous corresponding full year). This report has been prepared in a manner which complies with generally accepted accounting practice and fairly presents the matters to which the report relates and is based on unaudited financial statements. The Listed Issuer has a formally constituted Audit Committee of the Board of Directors.

Income Statement
For the Full Year ended 31 March 2022

Notes	Year ended 31 March 2022 unaudited	Year ended 31 March 2021 audited
	\$000	\$000
Total Revenue	5,218,259	3,543,838
Transport Costs	(3,356,790)	(2,141,744)
Labour Expenses	(886,614)	(723,444)
Other Expenses	(263,818)	(211,836)
Earnings before Finance Costs, Tax, Depreciation and Amortisation	711,037	466,814
Depreciation of Right to Use Assets	(127,289)	(113,938)
Finance Costs Relating to Lease Liabilities	(15,731)	(16,225)
Other Depreciation & Amortisation Expenses	(73,324)	(68,460)
Other Finance Costs	(5,312)	(5,784)
Profit before Taxation for the Year	489,381	262,407
Income Tax Expense	(133,984)	(74,297)
Net Profit for the Year	355,397	188,110
Earnings per share		
Basic and diluted earnings (cents per share)	352.93	186.81

Statement of Comprehensive Income
For the Full Year ended 31 March 2022

Net Profit for the Period	355,397	188,110
Other Comprehensive Income for the Period, Net of Tax		
<i>Other comprehensive income to be reclassified to profit/(loss) in subsequent periods</i>		
Exchange Differences on Translation of Foreign Operations	(7,412)	(22,545)
Income Tax Effect	(1,047)	(2,782)
Net Other Comprehensive income to be reclassified to profit/(loss) in subsequent periods	(8,459)	(25,327)
<i>Other comprehensive income not to be reclassified to profit/(loss) in subsequent periods</i>		
Revaluation of Land including Foreign Exchange Movements	82,659	55,814
Income Tax effect	(15,016)	(5,324)
Defined Benefit Pension Provision	455	(159)
Income Tax effect	(114)	40
Net Other Comprehensive income not to be reclassified to profit/(loss) in subsequent periods	67,984	50,371
Other Comprehensive Income for the Period, Net of Tax	59,525	25,044
Total Comprehensive Income for the Period, Net of Tax	414,922	213,154

The accompanying notes form part of these financial statements

	31 March 2022 unaudited \$000	31 March 2021 audited \$000		31 March 2022 unaudited \$000	31 March 2021 audited \$000
Current Assets			Current Liabilities		
Bank	202,258	139,555	Bank	-	-
Trade Debtors	805,568	489,246	Trade Creditors & Accruals	562,004	412,826
Income Tax Receivable	275	251	Employee Entitlements	152,305	91,997
Other Debtors	48,563	89,531	Provision for Taxation	56,609	30,344
			Lease Liability for Right of Use Assets	121,136	118,158
			Asset Finance Loans	8,841	9,198
	<u>1,056,664</u>	<u>718,583</u>		<u>900,895</u>	<u>662,523</u>
Non-current Tangible Assets			Non-current Liabilities		
Property	925,190	755,566	Bank Term Loan	176,005	210,000
Plant & Equipment	185,020	162,597	Employee Entitlements	2,519	2,922
Right of Use Assets	585,970	567,956	Deferred Tax Liability	10,684	6,571
			Lease Liability for Right of Use Assets	490,099	467,276
			Asset Finance Loans	18,480	22,568
	<u>1,696,180</u>	<u>1,486,119</u>		<u>697,787</u>	<u>709,337</u>
			Total Liabilities	1,598,682	1,371,860
Non-current Intangible Assets			Shareholders' Equity		
Software	52,081	53,510	Share Capital	85,821	85,821
Goodwill	204,498	208,626	Retained Earnings	1,152,081	897,383
Other Intangible Assets	1,288	1,607	Revaluation Reserve	208,737	141,094
Deferred Tax Asset	17,240	18,461	Foreign Currency Translation Reserve	(17,119)	(8,660)
			Defined Benefit Pension Reserve	(251)	(592)
	<u>275,107</u>	<u>282,204</u>	Total Equity	<u>1,429,269</u>	<u>1,115,046</u>
Total Assets	<u>3,027,951</u>	<u>2,486,906</u>	Total Liabilities & Equity	<u>3,027,951</u>	<u>2,486,906</u>

The accompanying notes form part of these financial statements

	Ordinary Shares	Asset Revaluation Reserve	Foreign Currency Translation Reserve	Defined Benefit Pension Reserve	Retained Earnings	Total Equity
	\$000	\$000	\$000	\$000	\$000	\$000
Twelve Months to 31 March 2022 (unaudited)						
Balance at 1 April 2021	85,821	141,094	(8,660)	(592)	897,383	1,115,046
Profit for the Period	-	-	-	-	355,397	355,397
Other Comprehensive Income	-	67,643	(8,459)	341	-	59,525
Total Comprehensive Income for the Period	-	67,643	(8,459)	341	355,397	414,922
Transactions with Owners in their Capacity as Owners						
Supplementary Dvidends	-	-	-	-	(3,674)	(3,674)
Dividends Paid	-	-	-	-	(100,699)	(100,699)
Foreign Investor Tax Credit	-	-	-	-	3,674	3,674
Balance at 31 March 2022	85,821	208,737	(17,119)	(251)	1,152,081	1,429,269
Twelve Months to 31 March 2021 (audited)						
Balance at 1 April 2020	85,821	90,604	16,667	(473)	773,720	966,339
Profit for the Period	-	-	-	-	188,110	188,110
Other Comprehensive Income	-	50,490	(25,327)	(119)	-	25,044
Total Comprehensive Income for the Period	-	50,490	(25,327)	(119)	188,110	213,154
Transactions with Owners in their Capacity as Owners						
Supplementary Dvidends	-	-	-	-	(2,132)	(2,132)
Dividends Paid	-	-	-	-	(64,447)	(64,447)
Foreign Investor Tax Credit	-	-	-	-	2,132	2,132
Balance at 31 March 2021	85,821	141,094	(8,660)	(592)	897,383	1,115,046

The accompanying notes form part of these financial statements

MAINFREIGHT LIMITED**Cash Flow Statement****For the Full Year ended 31 March 2022**

	Year ended 31 March 2022 unaudited	Year ended 31 March 2021 audited
	\$000	\$000
Cash Flows from Operating Activities		
Receipts from Customers	4,930,932	3,459,132
Interest Received	341	307
Payments to Suppliers and Team Members	(4,289,186)	(2,992,486)
Finance Charge on NZ IFRS 16 Leases	(15,731)	(16,225)
Interest Paid	(5,312)	(5,784)
Income Taxes Paid	(117,247)	(68,662)
Net Cash Flows from Operating Activities	503,797	376,282
Cash Flows from Investing Activities		
Proceeds from Sale of Property, Plant & Equipment	3,724	3,529
Proceeds from Sale of Software	66	-
Purchase of Property, Plant & Equipment	(175,908)	(104,048)
Purchase of Software	(16,962)	(18,030)
Advances to Team Members	-	(2)
Net Cash Flows from Investing Activities	(189,080)	(118,551)
Cash Flows from Financing Activities		
Proceeds of Long Term Loans	74,792	62,054
Dividend Paid to Shareholders	(100,699)	(64,447)
Repayment of Loans	(104,724)	(118,073)
Lease Payments NZ IFRS 16	(119,336)	(107,125)
Net Cash Flows from Financing Activities	(249,967)	(227,591)
Net Increase / (Decrease) in Cash and Cash Equivalents	64,750	30,140
Net Foreign Exchange Differences	(2,047)	(6,719)
Cash and Cash Equivalents at Beginning of Period	139,555	116,134
Cash and Cash Equivalents at End of Period	202,258	139,555
Comprised:		
Bank and Short Term Deposits	202,258	139,555
Bank Overdraft	-	-
	202,258	139,555

The accompanying notes form part of these financial statements

1 Corporate Information

The preliminary full year report announcement of Mainfreight Limited ("the parent") and its subsidiaries ("the Group") for the full year ended 31 March 2022 was authorised for issue in accordance with a resolution of the Directors.

Mainfreight Limited is a company limited by shares incorporated in New Zealand whose shares are publicly traded on the NZX Main Board (New Zealand Stock Exchange).

2 Accounting Policies

Accounting policies remain consistent with the prior year ended 31 March 2021 financial statements.

3 Required NZX Disclosures

	Parent	
	Year ended	Year ended
	31 March 2022	31 March 2021
	unaudited	audited
	Shares	Shares
Movements in Ordinary Shares on Issue		
Closing balance	100,698,548	100,698,548
Average balance during the period	100,698,548	100,698,548
	\$000	\$000
Net Tangible Assets		
Net Tangible Assets	1,154,162	832,842
Net Tangible Assets per Security (cents per share)	1,146.16	827.06
Dividends Paid and Proposed		
Recognised Amounts		
Declared and Paid during the Period to Parent Shareholders		
Final Fully Imputed Dividend for 2021: 45.0 cents (2020: 34.0 cents)	45,314	34,237
Interim Fully Imputed Dividend for 2022: 55.0 cents (2021: 30.0 cents)	55,385	30,210
	100,699	64,447
Unrecognised Amounts		
Final Fully Imputed Dividend for 2022: 87.0 cents (2021: 45.0 cents)	87,608	45,314

After the balance date, the above unrecognised dividends were approved by Directors' resolution dated 25 May 2022

4 Annual Report and Annual Meeting

The annual report is expected to be available on 28 June 2022.

The Annual Meeting is to be held at 4.00pm on Thursday 28 July 2022; venue to be advised.

5 Segmental Reporting

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses whose operating results are regularly reviewed by the entity's chief operating decision maker and for which discrete financial information is available. The Group operates in the domestic supply chain (i.e. moving and storing freight within countries) and air and ocean freight industries (i.e. moving freight between countries).

New Zealand, Australia, The Americas and Europe are each reported to management as one segment as the businesses there perform both domestic and air and ocean services.

The segmental results from operations are disclosed below.

Geographical Segments

The following table represents revenue, margin and certain asset information regarding geographical segments for the years ended 31 March 2022 and 31 March 2021.

	New Zealand	Australia	The Americas	Asia	Europe	Inter-Segment	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Year to 31 March 2022 (unaudited)							
Operating Revenue							
- Sales to Customers outside the Group	1,130,199	1,246,199	1,563,240	331,480	947,141	-	5,218,259
- Intersegment Sales	14,455	43,509	78,267	398,875	66,062	(601,168)	-
Total Revenue	1,144,654	1,289,708	1,641,507	730,355	1,013,203	(601,168)	5,218,259
PBT	136,479	114,007	144,685	41,401	52,809	-	489,381
Net Interest Expense	6,578	6,273	4,999	132	2,720	-	20,702
Depreciation & Amortisation	55,083	50,462	34,334	3,346	57,388	-	200,613
Capital Expenditure	80,445	64,071	19,042	1,737	27,574	-	192,869
Trade Receivables	141,749	197,252	286,019	68,461	178,275	(66,188)	805,568
Non-current Assets	752,569	543,880	297,705	18,649	358,484	-	1,971,287
Total Assets	920,087	777,168	650,161	160,758	585,965	(66,188)	3,027,951
Total Liabilities	369,475	430,063	429,288	93,623	342,421	(66,188)	1,598,682
Year to 31 March 2021 (audited)							
Operating Revenue							
- Sales to Customers outside the Group	845,554	939,340	859,647	155,392	743,905	-	3,543,838
- Intersegment Sales	2,199	25,773	50,574	160,354	44,708	(283,608)	-
Total Revenue	847,753	965,113	910,221	315,746	788,613	(283,608)	3,543,838
PBT	97,814	76,573	38,627	10,501	38,892	-	262,407
Net Interest Expense	6,289	7,267	4,948	143	3,055	-	21,702
Depreciation & Amortisation	48,411	46,910	27,779	3,086	56,212	-	182,398
Capital Expenditure	73,612	18,503	9,859	1,418	18,686	-	122,078
Trade Receivables	107,640	129,358	140,222	52,032	105,504	(45,510)	489,246
Non-current Assets	672,691	473,197	229,823	17,862	374,750	-	1,768,323
Total Assets	805,375	640,163	410,136	92,505	584,237	(45,510)	2,486,906
Total Liabilities	348,340	379,753	272,829	52,965	363,483	(45,510)	1,371,860

5 Segmental Reporting - continued

Division Segments

The following table represents revenue and PBT in respect of the three main types of services for the years ended 31 March 2021 and 31 March 2022.

	Domestic			Total
	Transport	Warehousing	Air & Ocean	
	\$000	\$000	\$000	\$000
<u>Year Ended 31 March 2022</u>				
Revenue	1,914,903	583,821	2,719,535	5,218,259
PBT	183,861	55,262	250,258	489,381
<u>Year Ended 31 March 2021</u>				
Revenue	1,610,741	452,116	1,480,981	3,543,838
PBT	140,527	42,207	79,673	262,407

	31 March 2022	31 March 2021
	unaudited	audited
	\$000	\$000
Reconciliation between non-GAAP and the Income Statement		
Profit before Taxation for the Year	489,381	262,407
Interest Income	(341)	(307)
Finance Costs Relating to Lease Liabilities	15,731	16,225
Other Finance Costs	5,312	5,784
EBITA	510,083	284,109
Depreciation of Right of Use Assets	127,289	113,938
Other Depreciation and Amortisation Expenses	73,324	68,460
EBITDA (Adjusted)	710,696	466,507

EBITDA (adjusted) is defined as earnings before net interest expense, tax, depreciation, amortisation, and royalties (segment only; not Group).

There are no customers in any segment that comprise more than 10% of that segment's revenue.

Bank term loan is allocated based on segment net assets excluding bank term loan.

The geographical segments are determined based on the location of the Group's assets.