Interim financial statements.

For the six months ended 31 December 2024

CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME

SIX MONTHS ENDED 31 DECEMBER 2024

	NOTES	UNAUDITED 6 MONTHS TO DECEMBER 2024 $000	UNAUDITED 6 MONTHS TO DECEMBER 2023 $000
Revenue		148,426	158,250
Gain on disposal of assets		-	175
Lease income		455	547
Insurance income receivable		1,402	-
Other income		368	376
Total Income		**150,651**	**159,348**
Transport costs		(61,023)	(67,632)
Employee costs		(50,316)	(60,836)
Rental / lease expenses		(1,280)	(2,129)
Trading and Warehousing costs		(6,753)	(4,418)
Other operating expenses		(9,910)	(11,115)
Depreciation of right of use assets		(16,463)	(15,485)
Net loss on disposal of assets		(1,231)	-
Other depreciation / amortisation expenses		(3,981)	(6,330)
Other non operating expenses		(2,039)	(883)
Total Operating Expenses		**(152,996)**	**(168,828)**
Finance costs relating to lease liabilities		(4,450)	(3,956)
Other finance costs - interest on borrowing		(1,464)	(882)
Interest income on short term deposit		155	126
Loss Before Income Tax		**(8,104)**	**(14,192)**
Income tax (expense)/credit		(452)	3,862
LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS		(8,556)	(10,330)
(Loss)/Profit attributable to:			
Owners of the company		(8,906)	(10,669)
Non-controlling interests		350	339
		(8,556)	**(10,330)**
Other comprehensive income:			
Other comprehensive Income for the Period, Net of Tax		-	-
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD, NET OF TAX		(8,556)	(10,330)
Earnings per share attributable to the ordinary equity holders of the Company		CENTS	CENTS
Basic & diluted earnings per share for loss attributable to the ordinary equity holders of the company		(6.98)	(8.36)

The above consolidated Statement of Profit or Loss & Other Comprehensive Income should be read in conjunction with the accompanying notes.

Julia Raue - Chair
27 February 2025

Lachlan Johnstone - Director
27 February 2025

CONSOLIDATED INTERIM BALANCE SHEET

AS AT 31 DECEMBER 2024

	NOTES	UNAUDITED 31 DECEMBER 2024 $000	AUDITED 30 JUNE 2024 $000
ASSETS			
Current Assets			
Cash and cash equivalents		7,211	9,704
Inventories		573	178
Trade and other receivables		44,835	41,520
Tax receivable		271	179
Assets Held for Sale		-	1,929
Total Current Assets		**52,890**	**53,510**
Non-Current Assets			
Property, plant and equipment		47,649	54,989
Right of use assets		162,585	171,552
Intangible assets		1,540	1,705
Other receivables		35	270
Total Non-Current Assets		**211,809**	**228,516**
TOTAL ASSETS		**264,699**	**282,026**
EQUITY			
Share capital		84,262	84,262
Other reserves		(66)	(505)
Accumulated losses		(69,240)	(60,334)
Equity attributable to owners of the parent		14,956	23,423
Non-controlling interest in equity		3,570	3,740
TOTAL EQUITY		**18,526**	**27,163**
LIABILITIES			
Current Liabilities			
Trade and other payables		31,715	31,119
Deferred revenue		60	439
Borrowings	6	9,955	26,665
Lease liability		31,081	30,263
Employee entitlements		8,261	8,765
Total Current Liabilities		**81,072**	**97,251**
Non-Current Liabilities			
Borrowings	6	16,204	-
Lease liability		145,447	154,362
Provisions for other liabilities and charges		3,450	3,250
Total Non-Current Liabilities		**165,101**	**157,612**
TOTAL LIABILITIES		**246,173**	**254,863**
TOTAL EQUITY & LIABILITIES		**264,699**	**282,026**

The above consolidated Balance Sheet should be read in conjunction with the accompanying notes.

CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

		ATTRIBUTABLE TO OWNERS OF THE COMPANY					
	NOTES	SHARE CAPITAL $000	RETAINED EARNINGS/ (ACCUM. LOSSES) $000	OTHER RESERVES $000	TOTAL $000	NON-CONTROLLING INTEREST $000	TOTAL EQUITY $000
Balance as at 1 July 2023		**84,262**	**(12,271)**	**(615)**	**71,376**	**3,527**	**74,903**
Comprehensive income							
(Loss) / profit for the period		-	(10,669)	-	(10,669)	339	(10,330)
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income		**-**	**(10,669)**	**-**	**(10,669)**	**339**	**(10,330)**
Cumulative translation adjustment		-	-	(252)	(252)	-	(252)
Transactions with owners:							
Dividends		-	-	-	-	(120)	(120)
Balance as at 31 December 2023		**84,262**	**(22,940)**	**(867)**	**60,455**	**3,746**	**64,201**
Balance as at 1 July 2024		**84,262**	**(60,334)**	**(505)**	**23,423**	**3,740**	**27,163**
Comprehensive income							
(Loss) / profit for the period		-	(8,906)	-	(8,906)	350	(8,556)
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income		**-**	**(8,906)**	**-**	**(8,906)**	**350**	**(8,556)**
Cumulative translation adjustment		-	-	439	439	-	439
Transactions with owners:							
Dividends		-	-	-	-	(520)	(520)
Balance as at 31 December 2024		**84,262**	**(69,240)**	**(66)**	**14,956**	**3,570**	**18,526**

The above consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

	NOTES	UNAUDITED 6 MONTHS TO DECEMBER 2024 $000	UNAUDITED 6 MONTHS TO DECEMBER 2023 $000
Cash flows from operating activities			
Receipts from customers and others		145,806	168,403
Interest received		155	126
Dividends received		3	4
Payments to suppliers and employees		(130,582)	(152,838)
Government subsidy received		-	5
Notional finance charge on NZ IFRS 16 leases		(4,450)	(3,956)
Interest paid		(1,442)	(861)
Income tax paid		(544)	(623)
Net cash generated from operating activities		**8,946**	**10,260**
Cash flows used in investing activities			
Purchase of property, plant and equipment		(54)	(1,424)
Proceeds from sale of property, plant and equipment		5,179	4,112
Purchase of intangible assets		(2)	(12)
Net cash used in investing activities		**5,123**	**2,676**
Cash flows from financing activities			
Repayment of borrowings		(17,675)	(938)
Proceeds from borrowings		17,149	5,500
Repayment of lease liability (NZ IFRS 16)		(15,516)	(14,104)
Dividends paid to shareholders / non-controlling interests		(520)	(120)
Net cash flow used in financing activities		**(16,562)**	**(9,662)**
Net increase in cash and cash equivalents		(2,493)	3,274
Cash and cash equivalents at beginning of the period		9,704	8,744
Cash and cash equivalents 31 December		**7,211**	**12,018**

The above consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

1.1. REPORTING ENTITY

The core operations of MOVe Logistics Group Limited ("MOVe Logistics" or the "Company") and its subsidiaries (collectively "the Group") are in the New Zealand logistics sector. These include general transport, bulk liquids, heavy haulage, shipping, warehousing and distribution, freight forwarding and storage.

The Company is incorporated and domiciled in New Zealand, registered under the Companies Act 1993 and is a FMC Reporting Entity under part 7 of the Financial Markets Conduct Act 2013. The Company is dual listed with its primary listing of ordinary shares quoted in New Zealand on the NZX Main Board, and a secondary listing in Australia as a foreign Exempt Entity on the Australian securities exchange (ASX).

The registered office of the Company is at 24-30 Paraite Road, Bell Block, New Plymouth, New Zealand. The interim financial statements were approved for issue by the MOVe Logistics Board of Directors on 27 February 2025.

1.2. BASIS OF PREPARATION

This consolidated interim financial report for the half-year reporting period ended 31 December 2024 has been prepared in accordance with accounting standards IAS 34 Interim Financial Reporting and NZ IAS 34 Interim Financial Reporting. The interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made by MOVe Logistics during the interim reporting period.

1.3. GOING CONCERN

As at 31 December 2024 the Group recorded an after tax loss attributable to owners of $8.6m, and had a working capital deficit of $28.1m (of which $31m is current lease liability) with loans and borrowings due for refinancing within the next twelve months.

In the annual accounts for the previous year ended 30 June 2024 the board concluded that there were material uncertainties that may have arisen (refer financial statements for the year ended 30 June 2024). Directors' analysis of all relevant material uncertainties identified in June 2024 and how these are progressing or have been addressed includes the following:

Trading Performance

While the economic environment is proving slower to recover the Group is well advanced on the range of Accelerate initiatives noted at year end. The cost savings and optimisation plans identified have resulted in a material improvement in the Groups results year on year. In addition to this, the Group performed to plan for the 6 months to December 2024.

In September 2024, we welcomed turnaround specialist Paul Millward to the team. Under strong leadership the Group remains acutely focused on delivery of Accelerate initiatives for 2H25 including gross margin growth, further cost disciplines and improved process efficiencies. New leaders for Freight and Warehousing joined in early 2025. Under the current conditions, Management remains confident that the plan remains on track.

Financial Position

Renewal of Debt Facility

Working with existing banking partner ANZ, the Group has secured an extension of the ANZ facility term to August 2026, with financing terms acceptable to the Group. Note 6 provides details on the updated facilities. With the above facilities, and in conjunction with prudent working capital management, the Group is comfortable that sufficient headroom, cash and debt facilities are available to meet its obligations going forward and to manage the Groups liquidity position appropriately.

Working capital deficit
The Group notes the impact of the current lease liability of $31m on the current liability balance and considers that there are assets available to meet the Group liabilities as they fall due. Given the liability profile, aspects of the balances presented will be funded by ongoing future activities of the business.

Conclusion

Having made due enquiry, the Directors conclude that, to the best of their knowledge and belief, there are no material uncertainties related to the Group being a going concern, and accordingly, these interim financial statements are prepared on a going concern basis.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The accounting policies used in the preparation of these financial statements, unless disclosed below are consistent with those used in the previously published audited consolidated financial statements as at and for the year ended 30 June 2024. There were no new standards, interpretations and amendments effective from 1 July 2024 that would have a material impact on the Group.

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in New Zealand dollars (rounded to thousands), which is the functional and the presentation currency of all companies in the Group except MOVe Oceans Singapore PTE Limited, MOVE Oceans Limited and TNL Australia Pty Limited, whose functional currencies are United States dollars and Australian dollars respectively.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

a. Impairment of Goodwill
The Group tests intangible assets for impairment to ensure they are not carried at above their recoverable amounts

- At least annually for goodwill
- Where there is an indication that the assets may be impaired (which is assessed at least each reporting period)

The Group concluded that there are no indicators of impairment for any of the CGU's at 31 December 2024, although they will continue to monitor the position closely for any evidence that the goodwill has become impaired.

4. RECONCILIATION TO GAAP MEASURE

The Group results are prepared in accordance with New Zealand Generally Accepted Accounting Practice ("GAAP") and comply with International Financial Reporting Standards Accounting Standards ("IFRS Accounting Standards") and the New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS").

These interim financial statements include non-GAAP financial measures that are not prepared in accordance with IFRS. The non-GAAP financial measures used in this presentation are as follows:

- Adjusted EBITDA (a non-GAAP measure) represents profit or loss before income taxes from continuing operations (a GAAP measure), excluding interest income, interest expense, depreciation and amortisation, asset impairments and restructuring & settlement costs (non operating expenses) as reported in the financial statements.
- Adjusted EBT (a non-GAAP measure) represents profit or loss before income taxes from continuing operations (a GAAP measure), excluding asset impairments and restructuring & settlement costs (non operating expenses) as reported in the financial statements.

The Group believes that these non-GAAP measures provide useful information to readers to assist in the understanding of the financial performance and position of the Group as they are used internally to evaluate the performance of business units and to establish operational goals. They should not be viewed in isolation, nor considered as a substitute for measures reported in accordance with IFRS. Non-GAAP measures as reported by the Group may not be comparable to similarly titled amounts reported by other companies.

The following is a reconciliation between these non-GAAP measures and net loss after tax from continuing operations:

Reconciliation to GAAP measure	**6 months to December 2024 $000**	**6 months to December 2023 $000**
Loss Before Income Tax from continuing operations (GAAP measure)	(8,104)	(14,192)
Add back:		
Other non operating expenses:		
- Asset impairment	12	487
- Restructuring & Settlement costs	2,027	396
Adjusted EBT (non-GAAP measure)	**(6,065)**	**(13,309)**
Finance costs (net)	5,759	4,712
Depreciation & amortisation	20,444	21,815
Adjusted EBITDA (non-GAAP measure)	**20,138**	**13,218**

5. SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Decision Maker (CODM). The CODM is responsible for allocating resources and assessing performance of the operating segments.

The Group has made the decision that the eleven operating segments that form part of the reporting to the Group CEO can be aggregated into five reporting segments. Reportable segments have been determined by having regard to the nature of the services, the processes the various business units undertake to service customers, the allocation of capital, the type of customers serviced, and the nature of the distribution channels.

In addition to GAAP measures, the Group CEO also uses non-GAAP measures (EBITDA and EBT) to assess the commercial performance of the segments. The reportable operating segments have been determined as:

INTERNATIONAL
This segment includes international freight forwarding, shipping and agency services across a broad range of industries.

SPECIALIST
This segment provides transport and lifting solutions for oversized and large items.

FREIGHT
This segment provides nationwide general freight transport services with regional strength. It is able to transport a wide range of freight types.

CONTRACT LOGISTICS
This segment specialises in contracted solutions providing services for customers including warehouse and supply chain capability and delivery of bulk liquids.

CORPORATE
This segment includes our corporate services function.

5. SEGMENT INFORMATION (CONTINUED)

The segment information for the period ended 31 December 2024 is as follows:

	International $000	Specialist $000	Freight $000	Contract Logistics $000	Corporate $000	Total $000
6 months to 31 December 2023						
Total segment revenue	9,535	9,517	63,988	79,432	-	162,472
Inter-segment revenue	(13)	(22)	(2,241)	(1,946)	-	(4,222)
Revenue from external customers	**9,522**	**9,495**	**61,747**	**77,486**	**-**	**158,250**
Adjusted EBITDA	(1,238)	2,045	(769)	14,933	(1,753)	13,218
Depreciation - tangible assets	736	1,144	2,041	1,825	102	5,848
Amortisation - ROU assets	177	485	5,837	8,907	79	15,485
Amortisation - intangible assets	1	37	1	302	141	482
Adjusted EBT	(2,050)	316	(10,390)	1,802	(2,987)	(13,309)
Assets	**28,349**	**19,372**	**111,274**	**148,030**	**9,475**	**316,500**
Liabilities	**11,211**	**4,662**	**89,523**	**115,865**	**31,038**	**252,299**
Capital expenditure including intangibles	**55**	**62**	**109**	**1,115**	**111**	**1,452**

6 months to 31 December 2024						
Total segment revenue	12,283	10,460	71,213	57,883	-	151,839
Inter-segment revenue	(312)	(150)	(1,753)	(1,198)	-	(3,413)
Revenue from external customers	**11,971**	**10,310**	**69,460**	**56,685**	**-**	**148,426**
Adjusted EBITDA	(171)	3,432	5,762	12,332	(1,217)	20,138
Depreciation - tangible assets	71	875	1,618	1,156	93	3,813
Amortisation - ROU assets	191	553	6,293	9,325	101	16,463
Amortisation - intangible assets	2	37	1	2	126	168
Adjusted EBT	(298)	1,892	(3,907)	(724)	(3,028)	(6,065)
Assets	**18,177**	**19,848**	**100,675**	**123,301**	**2,698**	**264,699**
Liabilities	**11,297**	**5,886**	**96,290**	**120,325**	**12,375**	**246,173**
Capital expenditure including intangibles	**56**	**-**	**-**	**-**	**-**	**56**

Interest income and expense are not allocated to segments (excluding those related to lease liabilities), as this type of activity is driven by the central treasury function, which manages the cash position of the Group.

Sales between segments are eliminated on consolidation. The amounts provided to the CODM with respect to segment revenue are measured in a manner consistent with that of the financial statements.

The Group has a diverse range of customers from various industries, with only one customer contributing more than 10% of the Group's revenue. These revenues are attributed to the Contract Logistics segment.

6. BORROWINGS

As at the reporting period the Group's borrowings consisted of the below:

	31 December 2024 $000	30 June 2024 $000
Non-Current		
Secured Loan Pacific Invoice Finance NZ (PIFNZ) (Expiry March 2026)	16,204	-
	16,204	**-**
Current		
Secured Loan ANZ (Expiry October 2025)	9,955	26,665
	9,955	**26,665**
Total secured borrowings	**26,159**	**26,665**

The Group is required to comply with a number of ANZ financial covenants. On 24 September 2024 the Group refinanced with ANZ and PIFNZ formally resetting the ANZ financial covenants out to 30 September 2025 as below.

- EBITDA actual > 85% of EBITDA Forecast on a YTD basis
- Net capital expenditure restricted to $1 million in FY25
- Guarantor coverage Assets >85%
- Guarantor coverage EBITDA >90%
- Total ANZ exposure not greater than 50% of Property, Plant and Equipment value
- PIFNZ Drawn receivables funding value less than 80% of Approved Debtors

During the period to 31 December 2024 these were fully complied with. Post year end the Group has reached agreement with the ANZ to extend its facilities through to August 2026 and to vary the quarterly covenants and terms as below:

- EBITDA actual > agreed percentage targets to forecast on a YTD basis
- Fixed Charge cover ratio > 1.0x at September 2025, 1.1x at December 2025 and 1.25x at March 2026 and thereafter
- Net capital expenditure restricted to $1 million in FY25
- Guarantor coverage Assets >82.5%
- Guarantor coverage EBITDA >90%
- Total ANZ exposure not greater than 50% of Property, Plant and Equipment value
- PIFNZ Drawn receivables funding value less than 85% of Approved Debtors to April 2025 returning to 80% post April 2025
- Quarterly repayments of $500K March 2025 and then $1.25m June 2025 and thereafter

Based on the forward looking forecast approved by the Board and the above financial covenants the Group is expected to comply for at least 12 months from the date of signing the financial statements. Accordingly the consolidated interim financial statements have been prepared on a going concern basis.

7. EVENTS AFTER THE REPORTING DATE

On 27 February 2025 the Group agreed an amendment with the ANZ Bank Ltd to extend its facilities and vary the financial covenants (refer note 6).

On 27 February 2025, Paul Millward was appointed as the Chief Executive Officer of the Group. Paul was previously the interim CEO having been appointed to that role in September 2024.

On 27 February 2025, the Board approved the issue of 1,856,000 restricted share units (RSU) to two senior managers which will be effected no later than 7 March 2025. Each RSU can convert into one ordinary share in Move Logistics Group Limited provided the senior manager remains employed by the Group on 30 June 2028.

pwc

Independent auditor's review report

To the shareholders of Move Logistics Group Limited

Report on the interim financial statements

Our conclusion

We have reviewed the accompanying interim financial statements of Move Logistics Group Limited (the Company) and its controlled entities (the Group) on pages 1 to 10 which comprise the consolidated interim balance sheet as at 31 December 2024, and the consolidated interim statement of profit or loss and other comprehensive income, the consolidated interim statement of changes in equity and the consolidated interim statement of cash flows for the period ended on that date, and material accounting policy information and other explanatory information.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements of the Group do not present fairly, in all material respects, the financial position of the Group as at 31 December 2024, and its financial performance and cash flows for the period then ended, in accordance with International Accounting Standard 34 *Interim Financial Reporting* (IAS 34) and New Zealand Equivalent to International Accounting Standard 34 *Interim Financial Reporting* (NZ IAS 34).

Basis for conclusion

We conducted our review in accordance with the New Zealand Standard on Review Engagements 2410 (Revised) *Review of Financial Statements Performed by the Independent Auditor of the Entity* (NZ SRE 2410 (Revised)). Our responsibilities are further described in the *Auditor's responsibilities for the review of the* interim *financial statements* section of our report.

We are independent of the Group in accordance with the relevant ethical requirements in New Zealand relating to the audit of the annual financial statements, and we have fulfilled our other ethical responsibilities in accordance with these ethical requirements.Our firm provides access to training material through an on-line platform. The provision of access to training materials has not impaired our independence as auditor of the Group

Responsibilities of the Directors for the interim financial statements

The Directors of the Company are responsible on behalf of the Company for the preparation and fair presentation of these interim financial statements in accordance with IAS 34 and NZ IAS 34 and for such internal control as the Directors determine is necessary to enable the preparation and fair presentation of the interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the interim financial statements

Our responsibility is to express a conclusion on the interim financial statements based on our review. NZ SRE 2410 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the interim financial statements, taken as a whole, are not prepared in all material respects, in accordance with IAS 34 and NZ IAS 34.

A review of interim financial statements in accordance with NZ SRE 2410 (Revised) is a limited assurance engagement. We perform procedures, primarily consisting of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing and International Standards on Auditing (New Zealand) and consequently does not enable us to obtain assurance that we might identify in an audit. Accordingly, we do not express an audit opinion on these interim financial statements.

PricewaterhouseCoopers, PwC Centre, 60 Cashel Street, PO Box 13244, Christchurch 8141, New Zealand
T: +64 3 374 3000,, pwc.co.nz

Other matter
The comparative information for the consolidated interim balance sheet is based on the audited financial statements as at 30 June 2024. The comparative information for the interim consolidated statement of profit or loss and other comprehensive income, consolidated interim statement of changes in equity and interim statement of cash flows, and related explanatory notes, for the period ended 31 December 2023 has not been audited or reviewed.

Who we report to
This report is made solely to the Company's Shareholders, as a body. Our review work has been undertaken so that we might state those matters which we are required to state to them in our review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's Shareholders, as a body, for our review procedures, for this report or for the conclusion we have formed.

The engagement partner on the review resulting in this independent auditor's review report is Maxwell John Dixon.

For and on behalf of:

PricewaterhouseCoopers

PricewaterhouseCoopers
27 February 2025

Christchurch

DIRECTORY

DIRECTORS
Julia Raue (Chair)
Lachlan Johnstone
Greg Whitham

RISK ASSURANCE & AUDIT COMMITTEE
Lachlan Johnstone (Chair)
Greg Whitham
Julia Raue

GOVERNANCE AND REMUNERATION COMMITTEE
Julia Raue (Chair)
Lachlan Johnstone
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