

Silk demonstrates resilience

Silk Logistics Holdings Limited (ASX: SLH) ('Silk' or the 'Company') is pleased to announce its full year results for the period ending 30 June 2024 ('FY24').

Full Year Highlights

- Revenue of \$556.4 million, an increase of 13.9% on the prior corresponding period ('pcp')
- Underlying EBITDA^{1,2} of \$95.4 million, an increase of 11.0% on pcp
- Underlying EBIT^{1,2} of \$34.8 million, a decrease of 1.4% on pcp
- Fully franked Final Dividend of 1.42cps announced resulting in a full year fully franked Dividend of 4.24cps (representing a 3.1% annual dividend yield³)
- Lost Time Injury Frequency Rate ('LTIFR') of 1.65, an improvement from 2.8 in FY23⁴
- Seamless CEO succession
- Secon acquisition has delivered significant revenue and cost synergies

FY24 Results

Silk is pleased to report revenue, Underlying EBITDA and Underlying EBIT in-line with guidance provided in February 2024.

Silk reported revenue was underpinned by \$55.7 million in (annualised) new business wins and the acquisition of Secon in September 2023, expanding the Company's capabilities into bulk logistics. The Company achieved this despite challenging external trading conditions. An 11% improvement in underlying EBITDA was due to the ability to maintain margins through the expanded share of wallet across our diversified customer base.

Silk Managing Director & CEO John Sood said, "The resilience and agility of our business and our operating model was highlighted this year. We managed an unexpected CEO succession, successfully integrated an important strategic acquisition and delivered on revenue, EBITDA and EBIT guidance provided in February 2024 despite ongoing external challenges.

Our long-term customer relationships with average customer tenure of approximately 7.3 years is a testament to our strong customer service ethos. Strategically, we believe there is significant latent demand in the bulk containerised segment and as we further integrate Secon into the business it will facilitate driving future organic growth.

While the sector continues to experience headwinds, I am encouraged by the momentum observed in the initial months of FY25, including a number of new customer contracts. Organic growth is our core focus

for the upcoming year and we will continue Silk's disciplined approach to operations whilst enhancing value through investments in our technology and integrating our recent acquisitions.

Silk intends to invest in further growth initiatives, as they arise and meet the Company's capital return requirements. This includes capitalising on the attractive national growth platform afforded us by the recent Secon acquisition.

Finally, we are now targeting \$1 billion in revenue in FY30. Our FY30 target is based off our current run-rate of organic growth and assumes no further acquisitions, at this stage."

Outlook

During FY25 Silk expects to continue its track record of delivering solid revenue and EBITDA growth, subject to no significant deterioration in economic conditions.

Silk will focus on further organic growth through delivery of great service to drive greater share of customer wallet and new customer contracts.

Results webinar

Silk Managing Director & CEO, John Sood and CFO, James Nicholias will host a webinar to discuss the results, today **Tuesday, 27 August at 9:30am (AEST)**. Please note, the webinar will be recorded, and a copy will be made available on Silk's website shortly after it is completed.

Webinar link:

<https://events.teams.microsoft.com/event/12fd10ec-2d64-4041-a44a-f69cad610884@4f91adec-4dca-4788-ab6a-6c60ba5bb9e0>

Investors can submit questions prior to the webinar to melanie@nwrcommunications.com.au or do so via the Q&A function during the webinar.

This announcement is authorised for release by the Board of Silk Logistics Holdings Limited.

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For more information, please visit <https://www.silklogisticsholdings.com.au/>

1. Underlying EBIT(DA) represents EBIT(DA) post-AASB16 Leases and before significant items.
2. Refer to slide 14 of the FY24 Investor Presentation for the Statutory to Underlying Earnings Reconciliation.
3. Calculated using the total FY24 dividend of 4.24cps and Silk's closing share price of \$1.355 per share as at 30 June 2024.
4. LTIFR is reported as rolling 12-month average to the end of the reporting period.